

THE UINTAH BASIN REGIONAL COUNCIL

AN ECONOMIC UPDATE

Daggett, Duchesne, and Uintah Counties
February 11, 2010

THE GREAT RECESSION

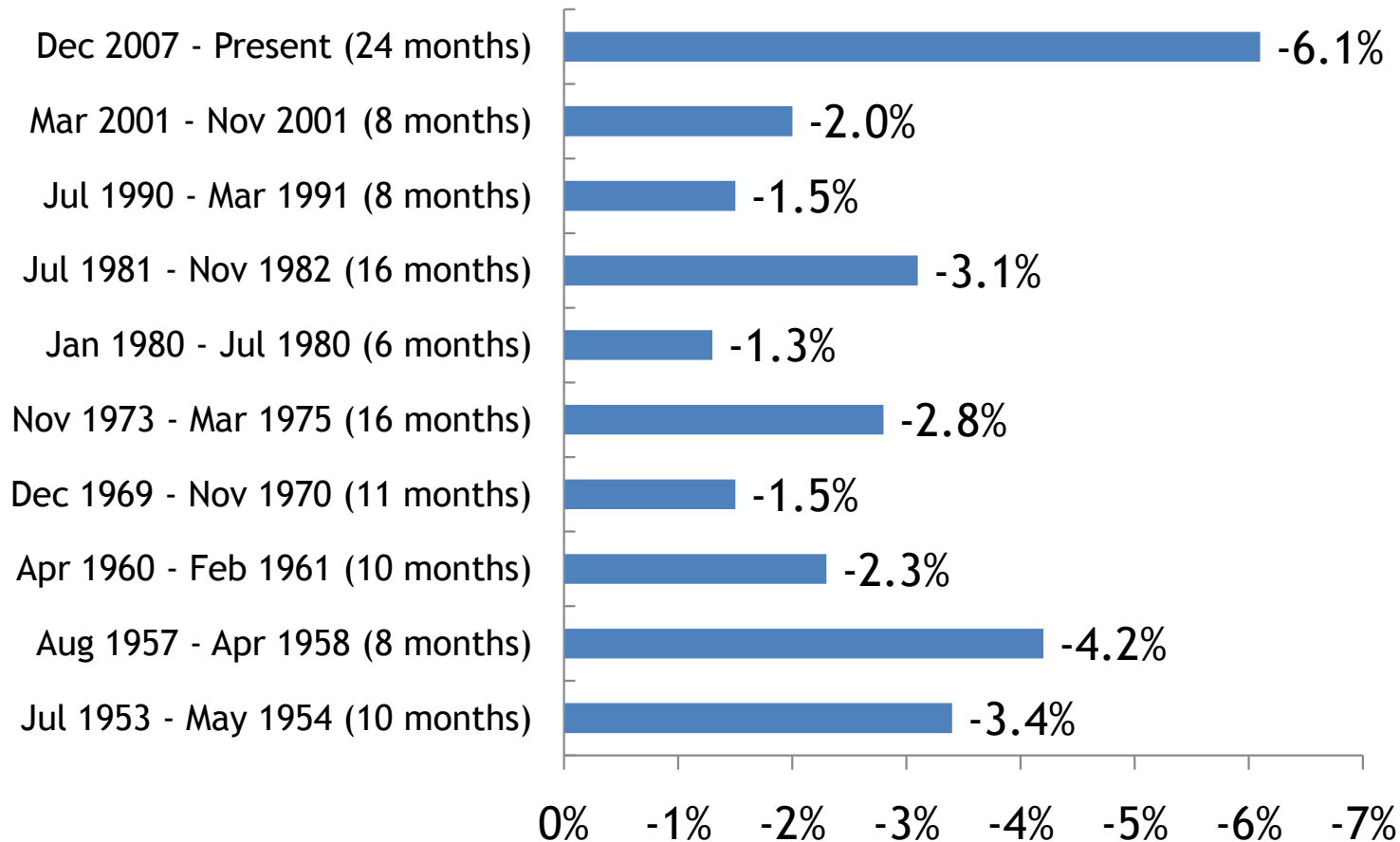
How does this recession compare
with those in the past?

WHAT IS A RECESSION?

- ❖ The Two-Quarter Rule: A recession occurs when real GDP declines for two consecutive quarters.
- ❖ The NBER Method: The goal is to identify peaks and troughs in overall economic activity. It is based on a consideration of many indicators, the most important of which are real GDP and employment.

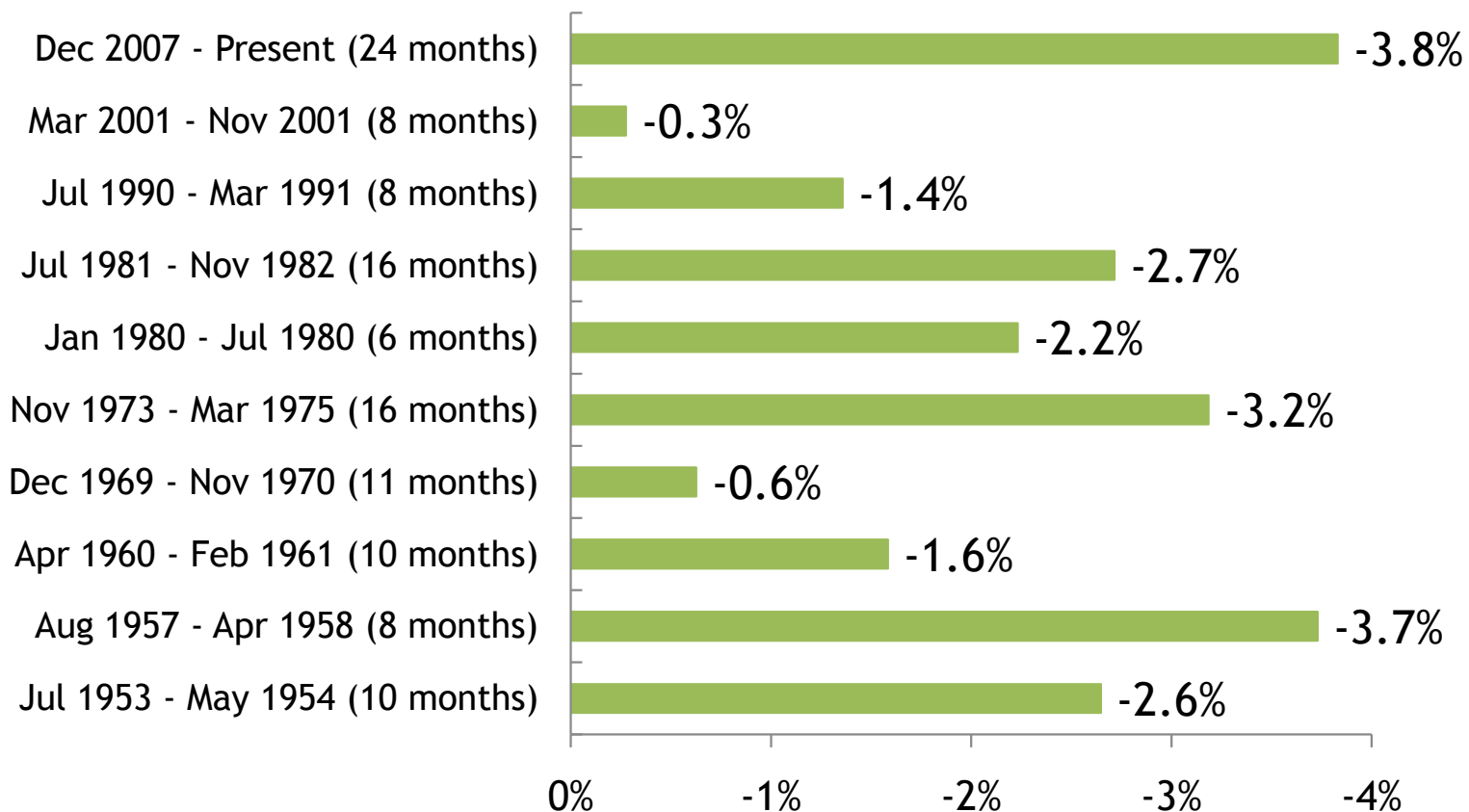
RECESSIONS SINCE 1950

Percentage Decline in U.S. Employment



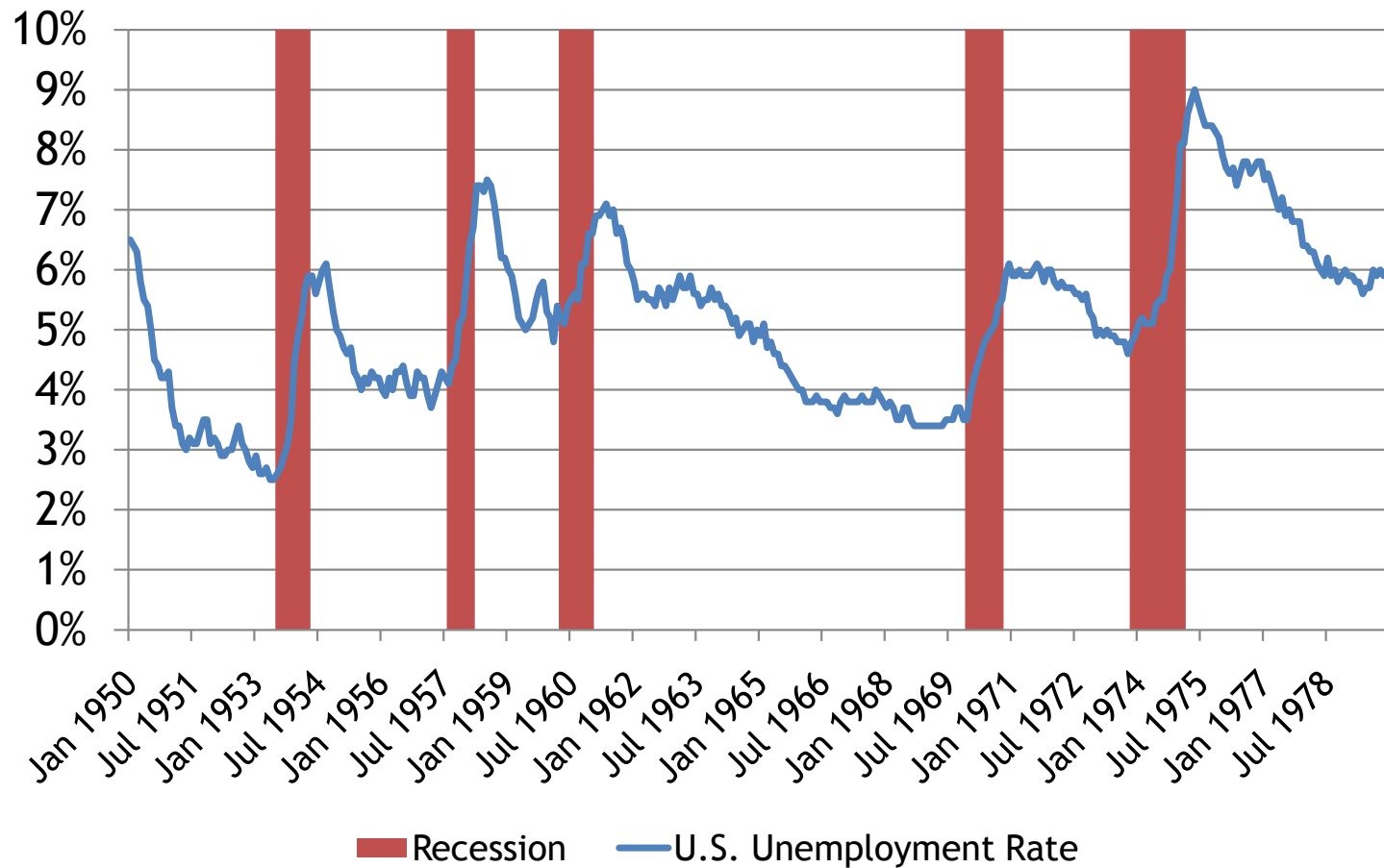
RECESSIONS SINCE 1950

Percentage Decline in Real GDP



RECESSIONS SINCE 1950

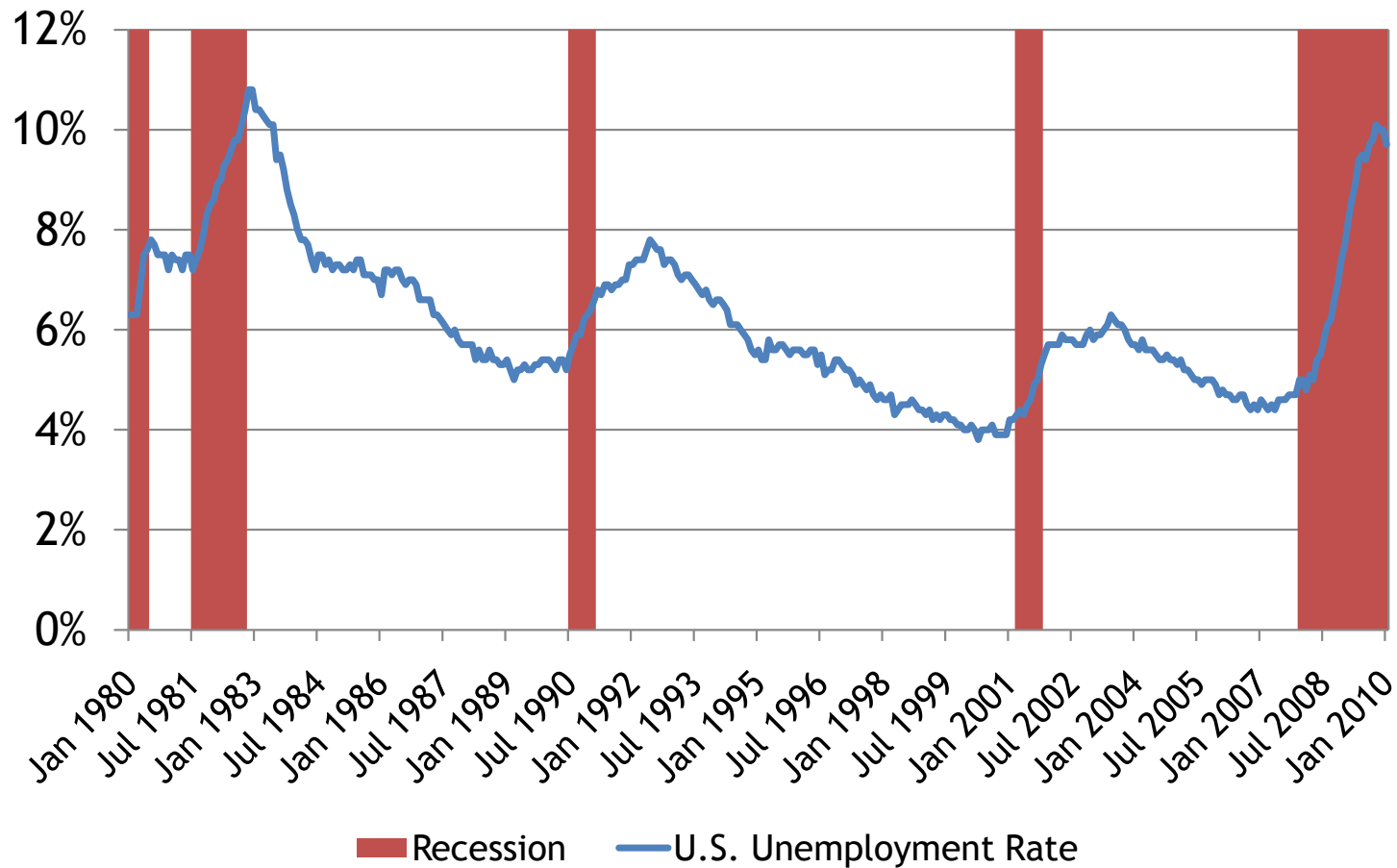
Recessions and the Unemployment Rate, 1950-1979



Source: U.S. Bureau of Labor Statistics, National Bureau of Economic Research

RECESSIONS SINCE 1950

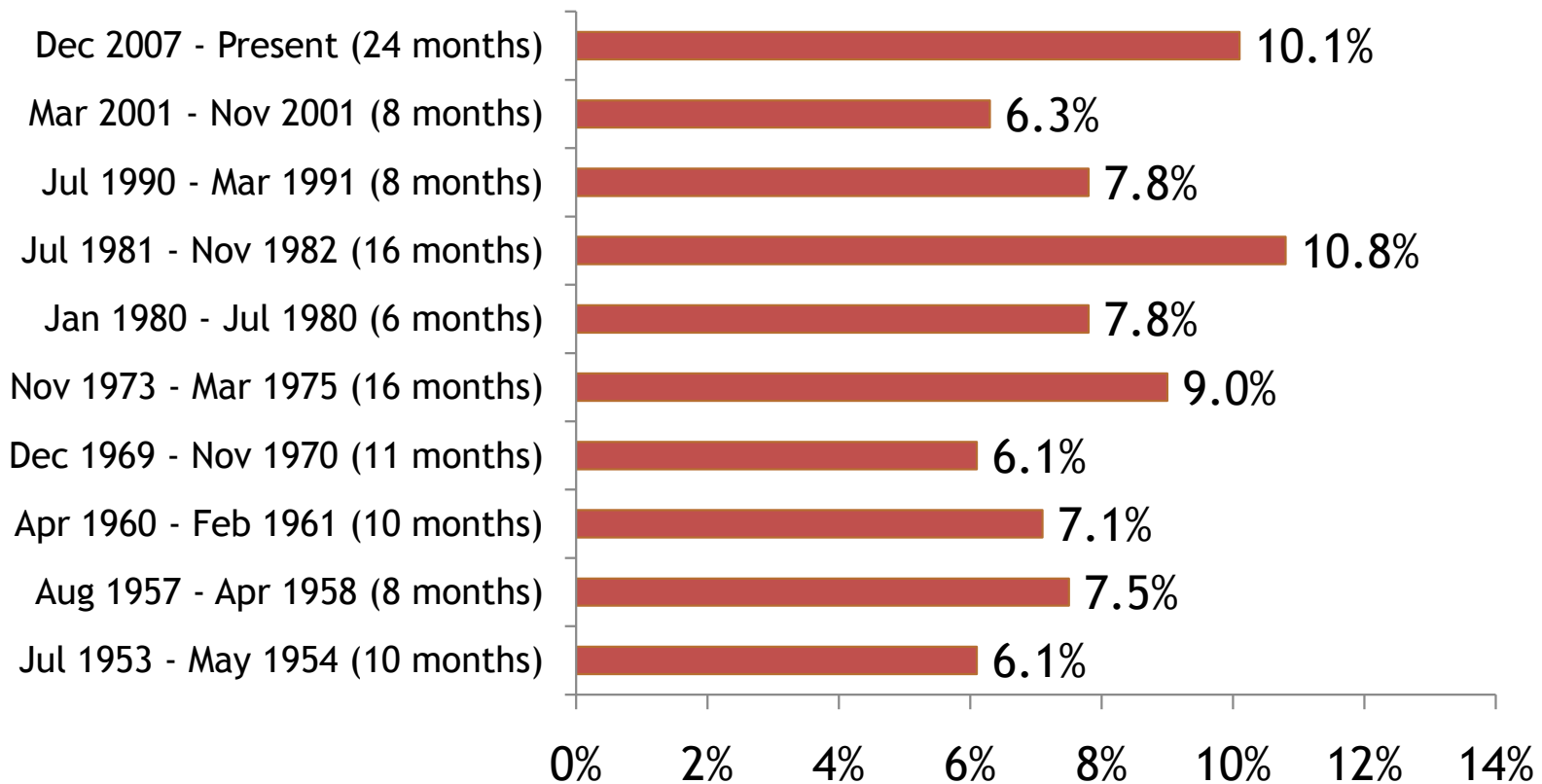
Recessions and the Unemployment Rate, 1980-2010



Source: U.S. Bureau of Labor Statistics, National Bureau of Economic Research

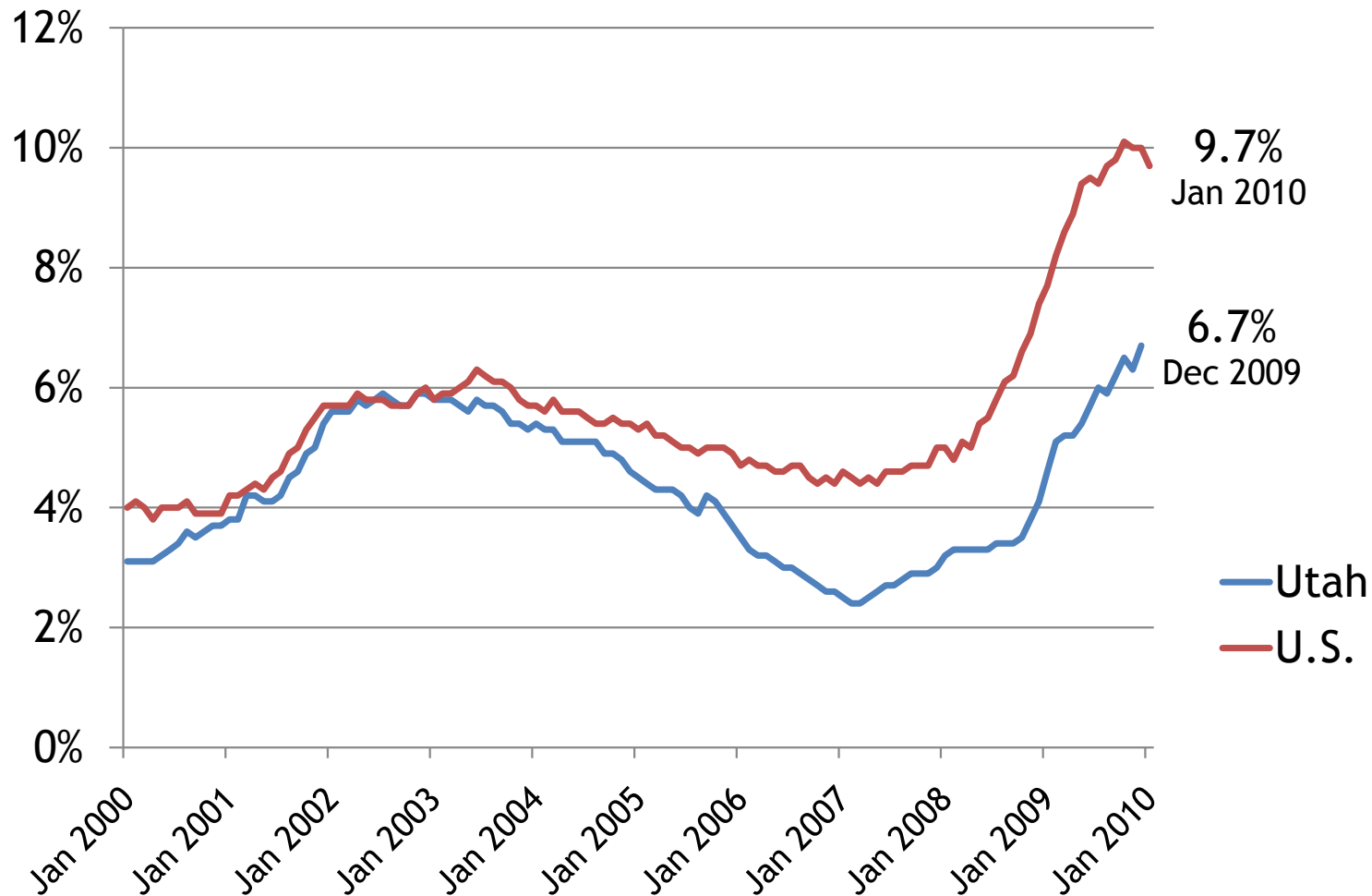
RECESSIONS SINCE 1950

Highest Unemployment Rate Associated with a Recession



UNEMPLOYMENT RATES

THE UNITED STATES AND UTAH



Source: Utah Department of Workforce Services, U.S. Bureau of Labor Statistics

IS THE RECESSION OVER?

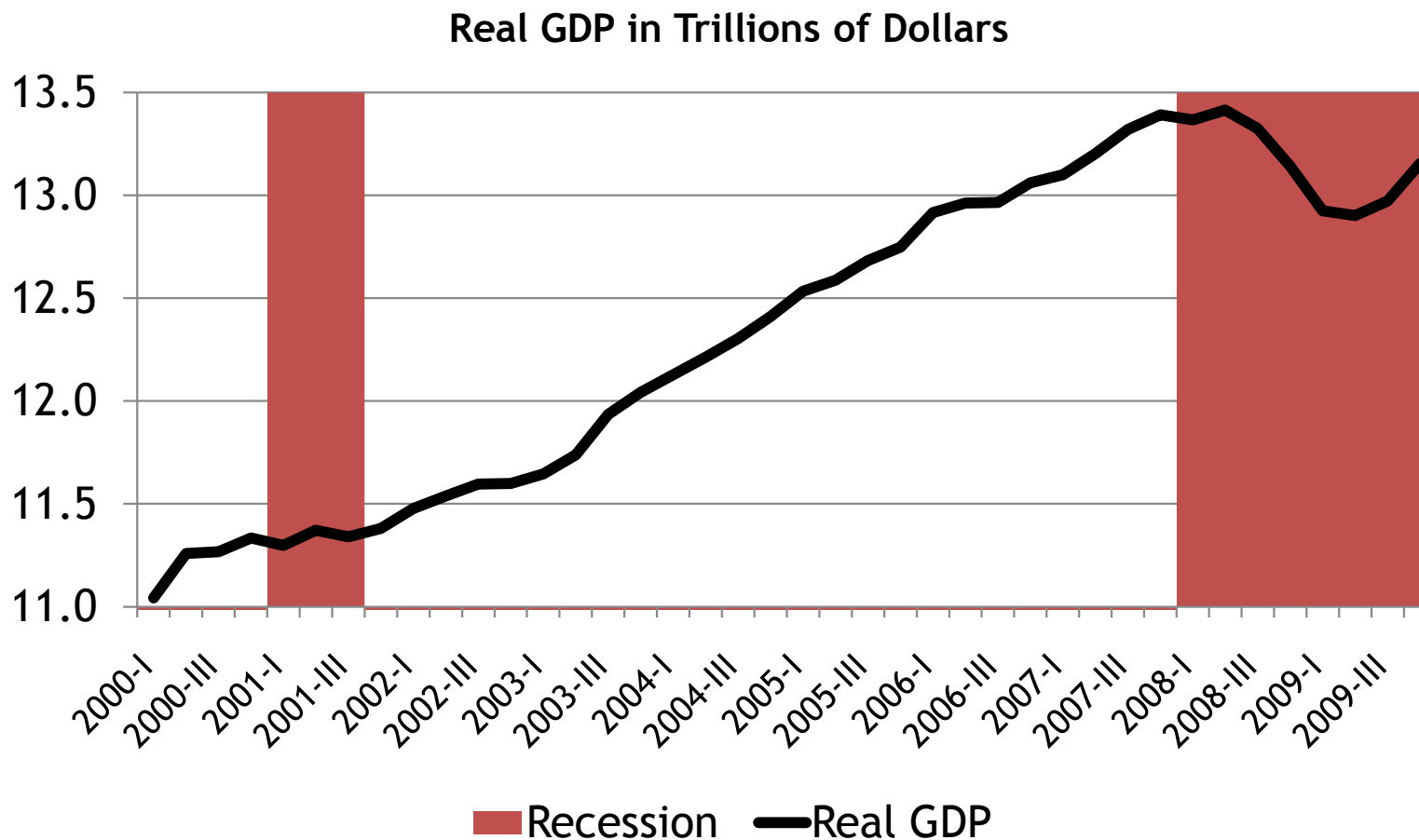
When predicting the future of
the economy,

“The only certainty is that
nothing is certain.”

– Pliny the Elder

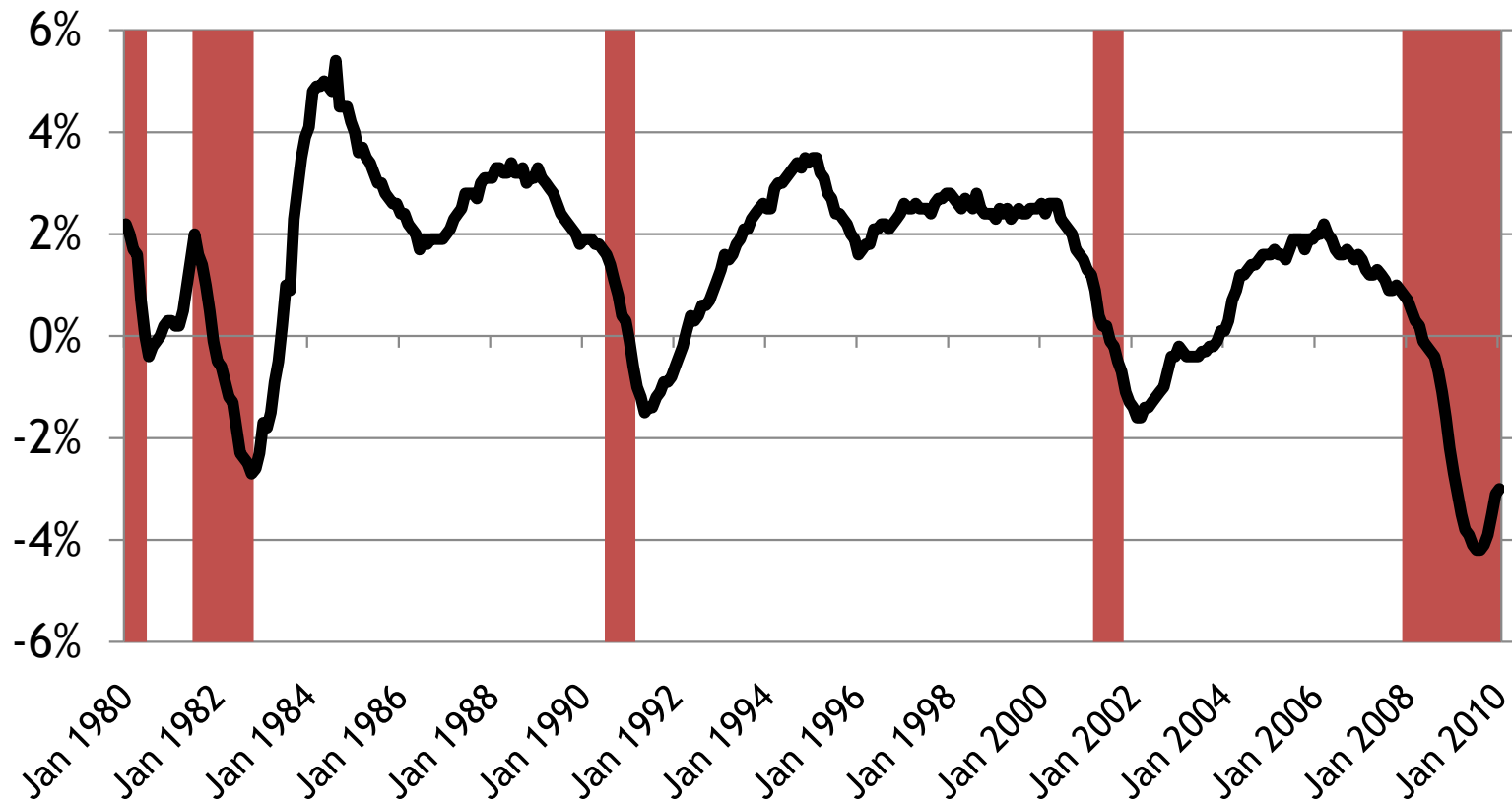
However, ...

REAL GROSS DOMESTIC PRODUCT



NATIONAL EMPLOYMENT

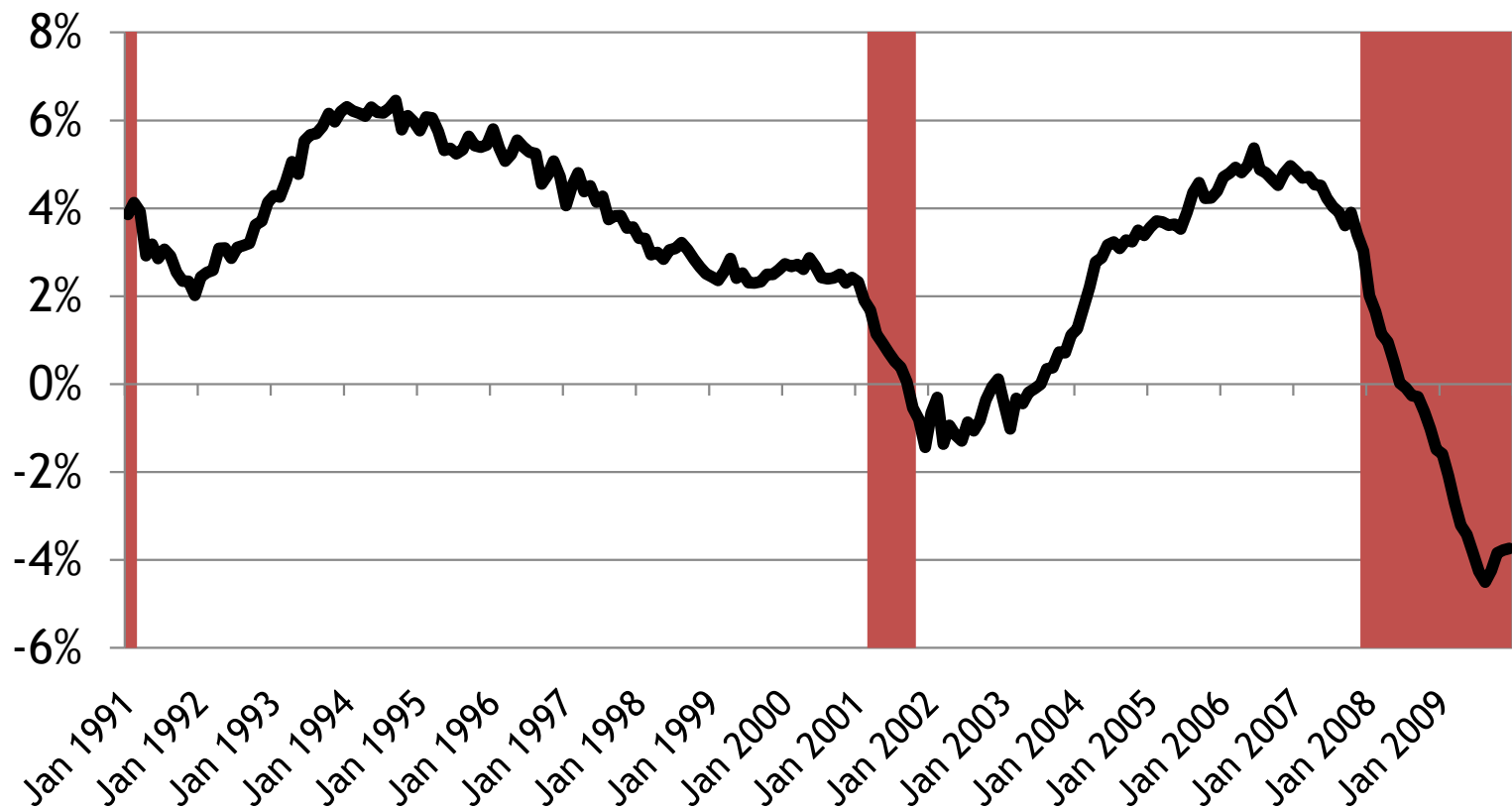
12-Month Percent Change in Employment



Source: U.S. Bureau of Labor Statistics

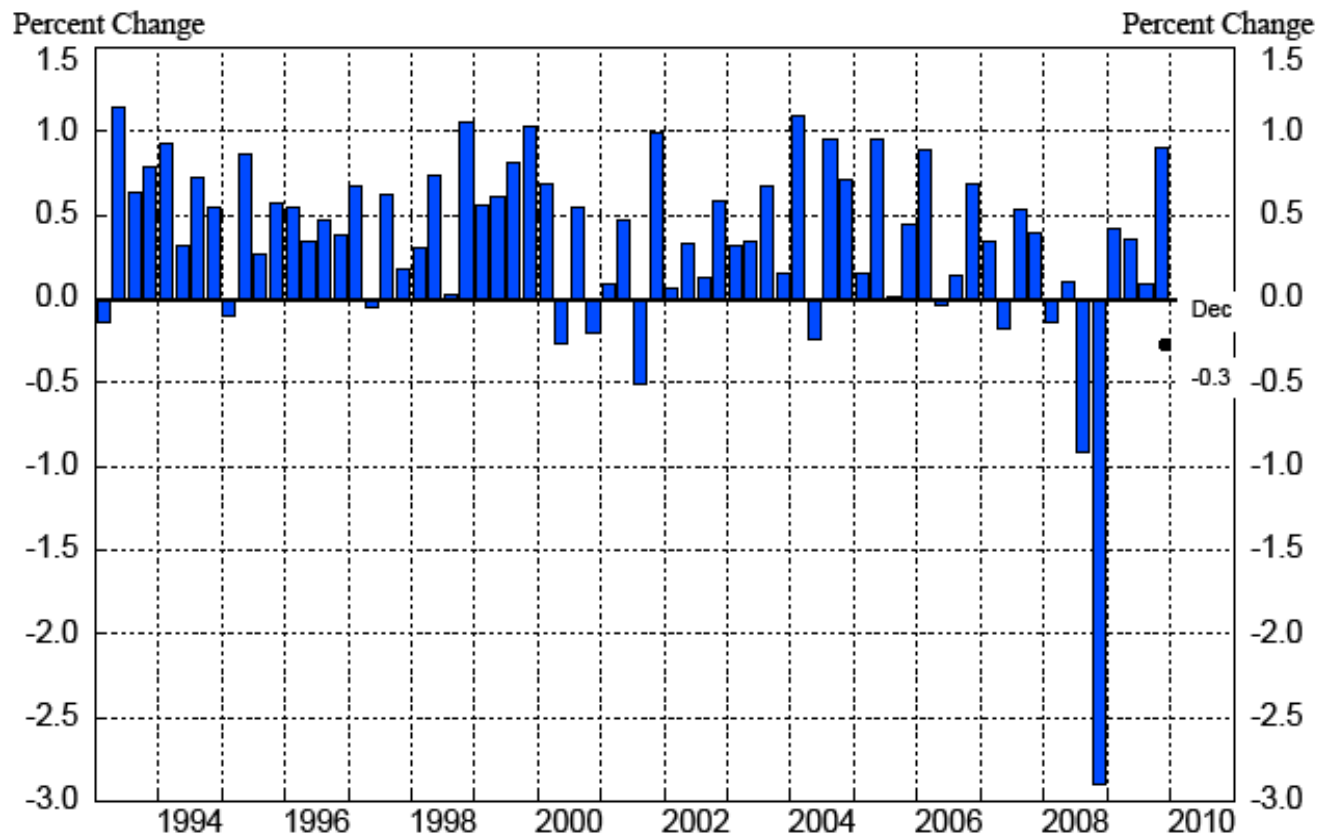
UTAH EMPLOYMENT

12-Month Percent Change in Employment



Source: U.S. Bureau of Labor Statistics

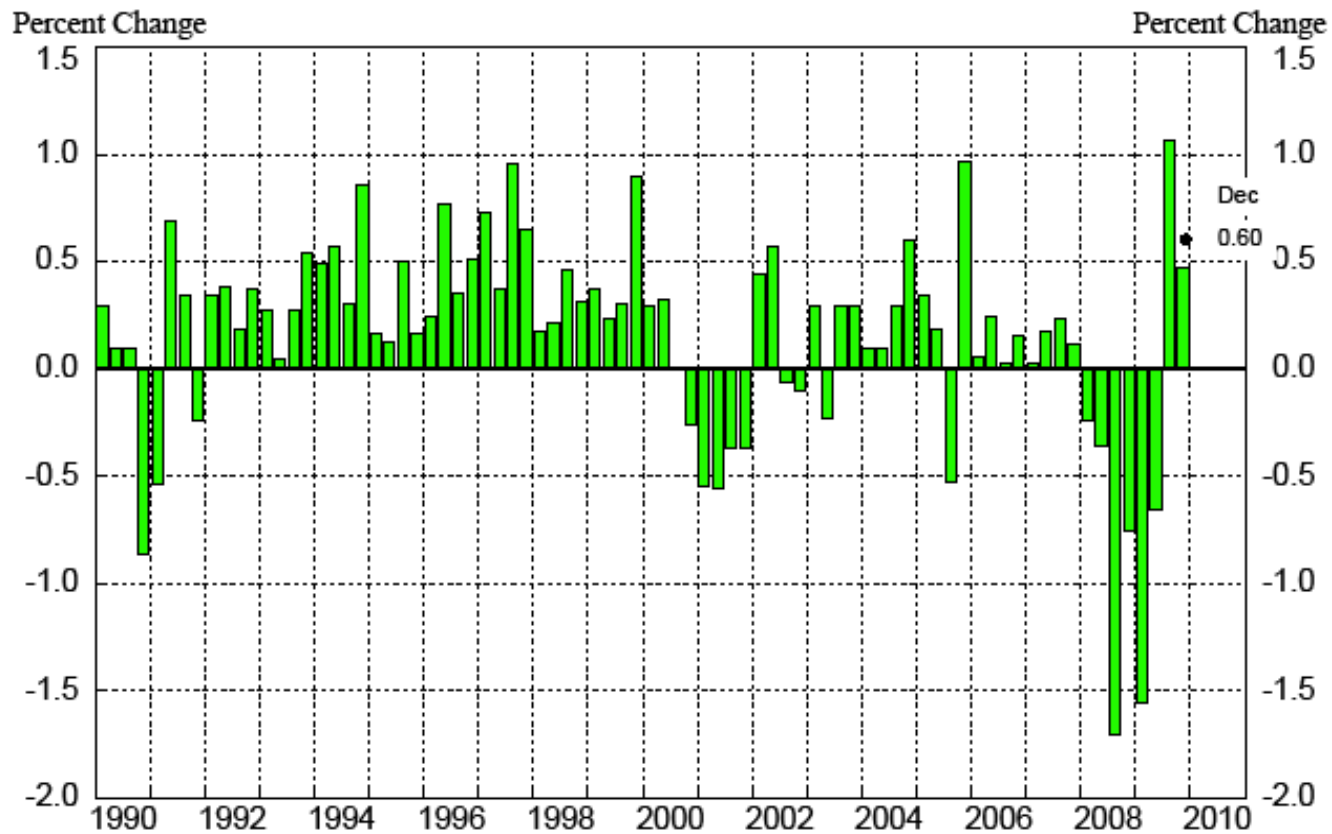
RETAIL SALES



* Percent change based on quarterly average levels.
Source: U.S. Department of Commerce, Bureau of the Census

PL 2
3-Feb-10

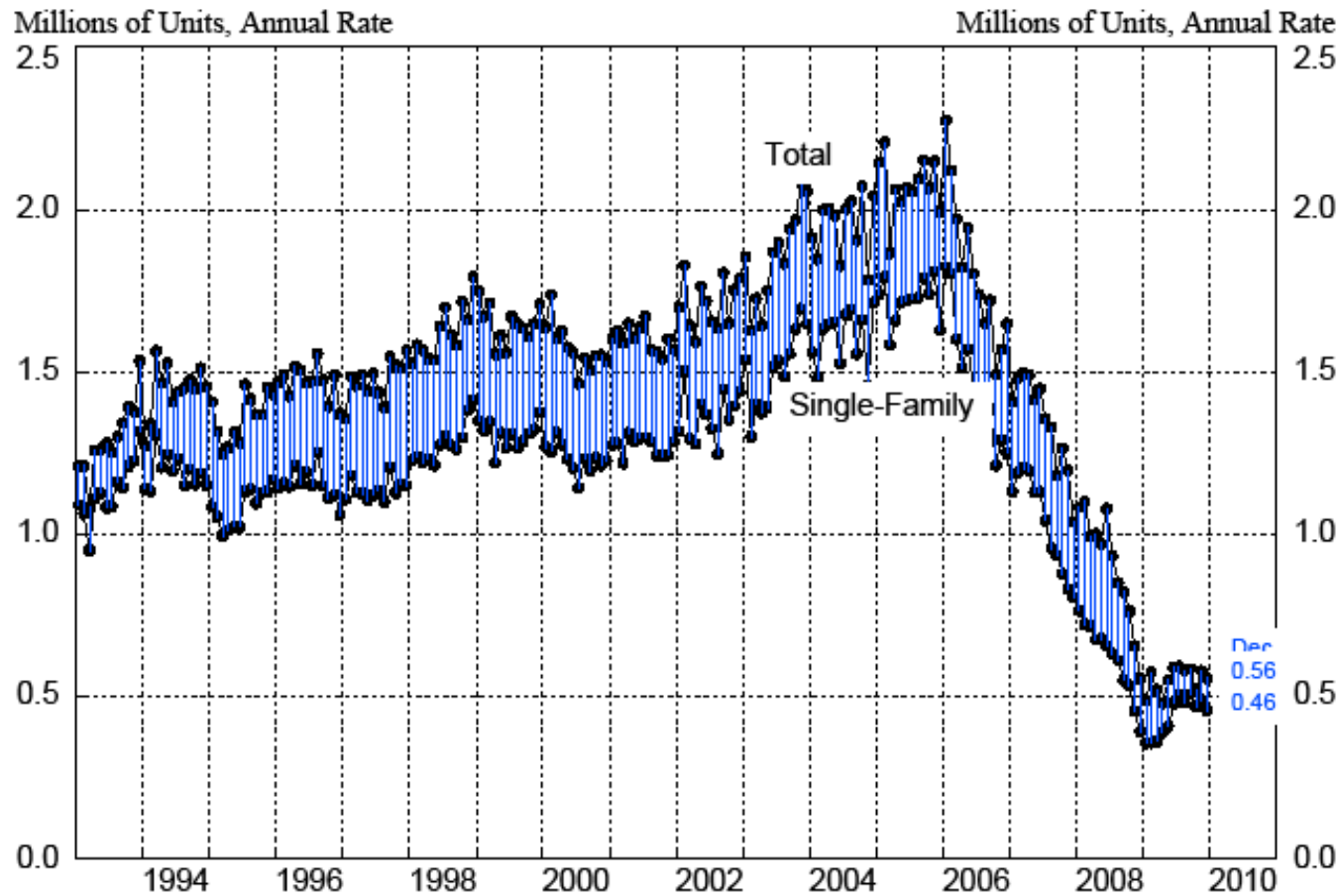
INDUSTRIAL PRODUCTION



* Percent change based on quarterly average levels.
Source: Board of Governors of the Federal Reserve System

Pl 3
3-Feb-10

HOUSING STARTS

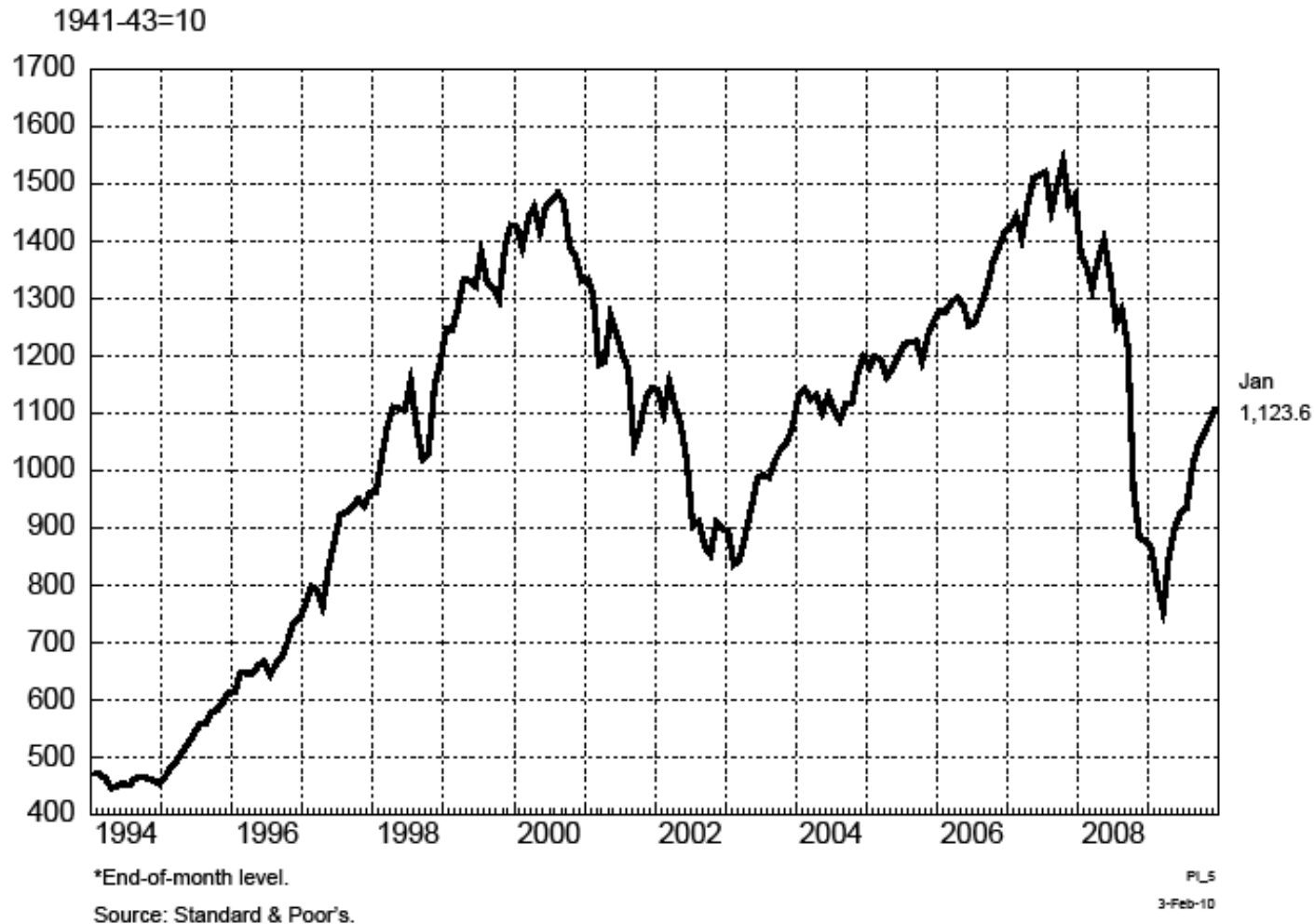


Source: U.S. Department of Commerce, Bureau of the Census

Pl 11
3-Feb-10

Source: Board of Governors of the Federal Reserve System

STANDARD & POOR'S 500-STOCK INDEX*

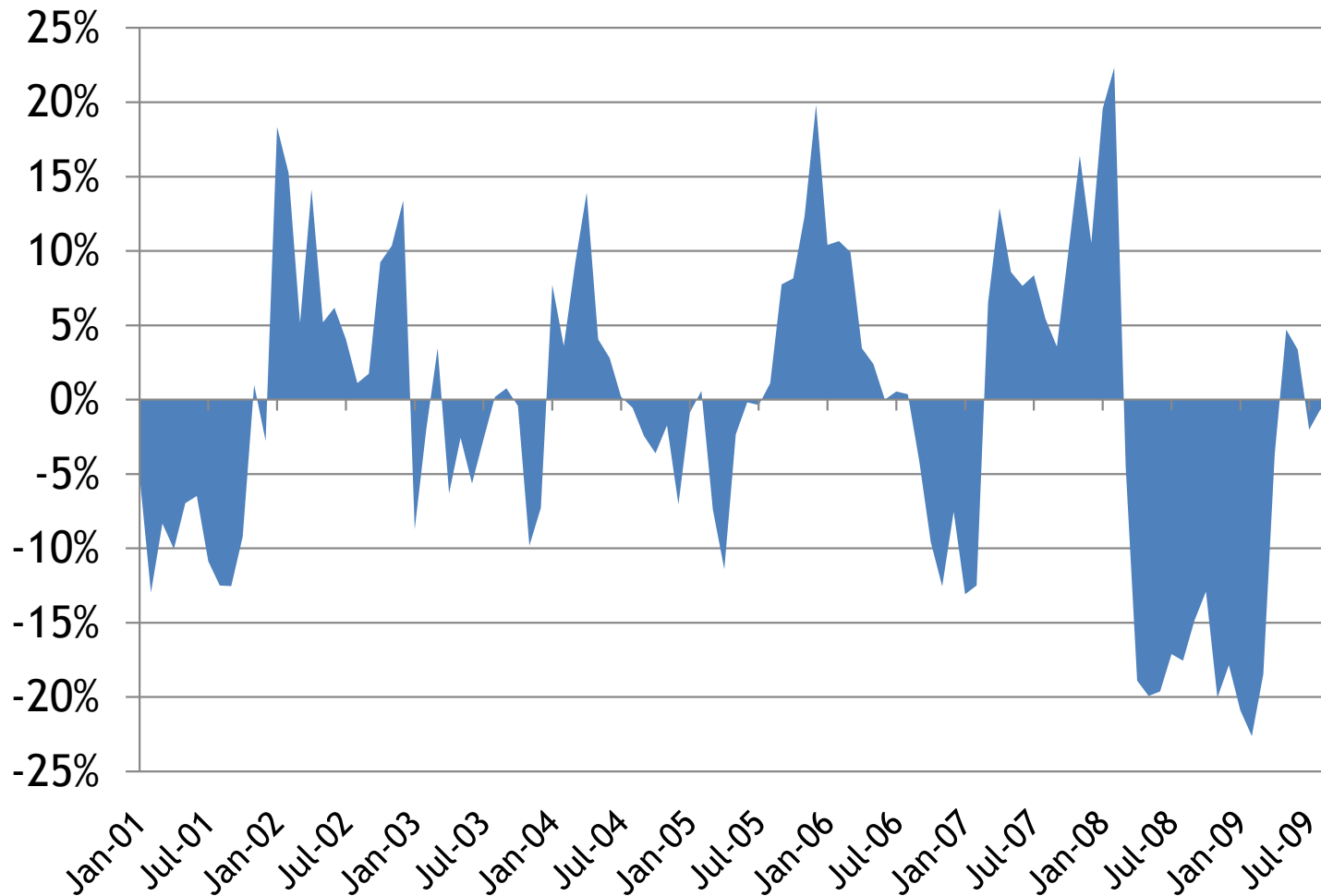


THE UINTAH BASIN

Employment, Wages, and Trends

DAGGETT COUNTY

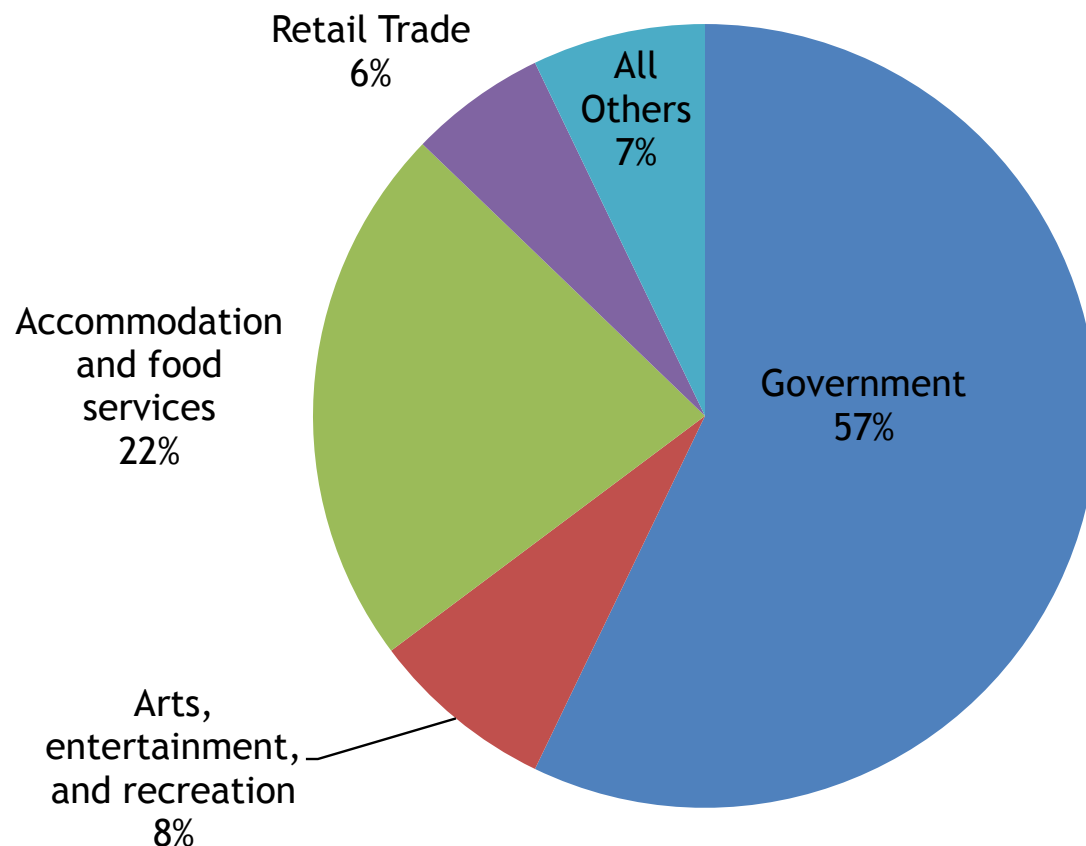
YEAR-OVER CHANGE IN NONFARM JOBS



DAGGETT COUNTY

JOB DISTRIBUTION

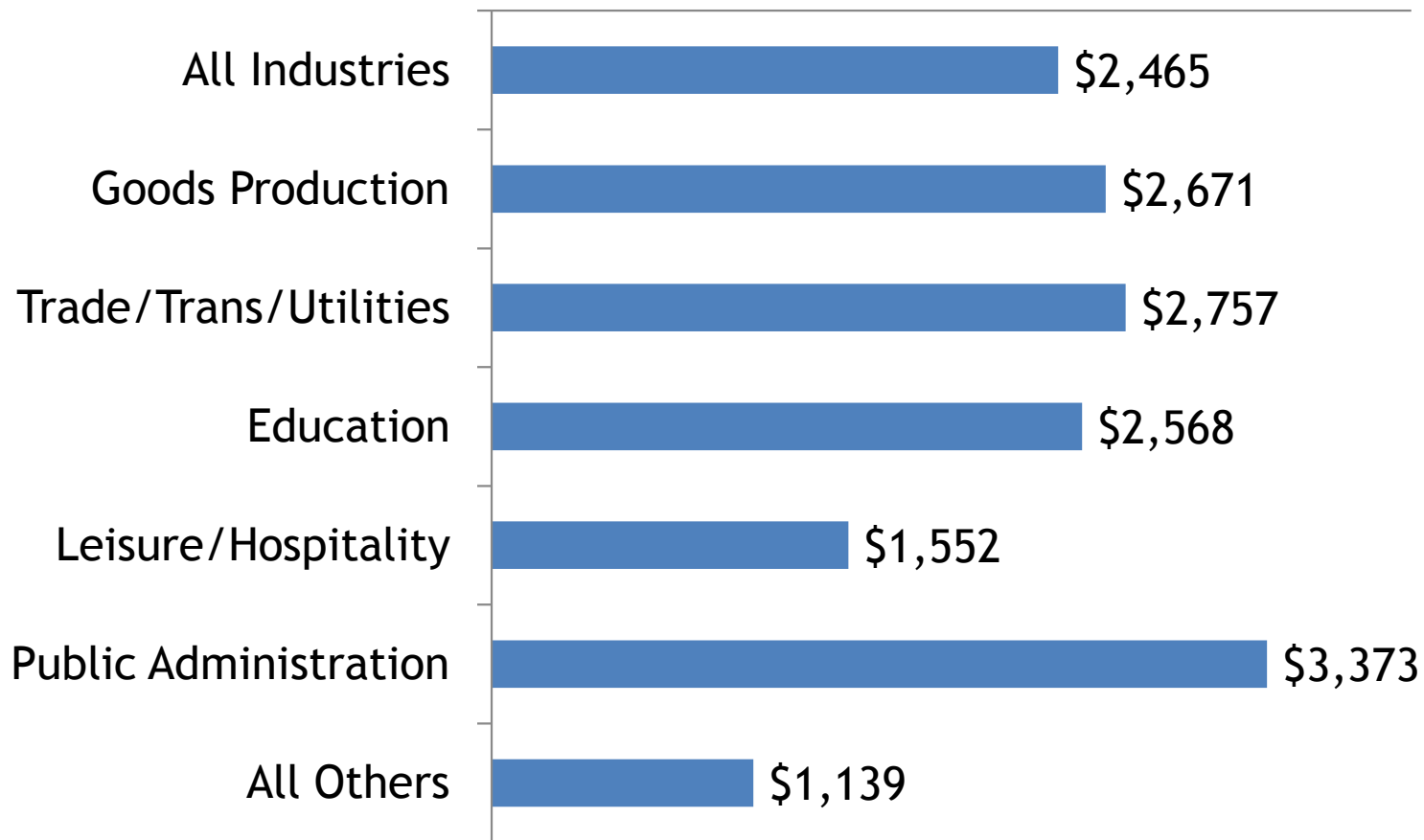
Average from 2008 4th Qtr to 2009 3rd Qtr



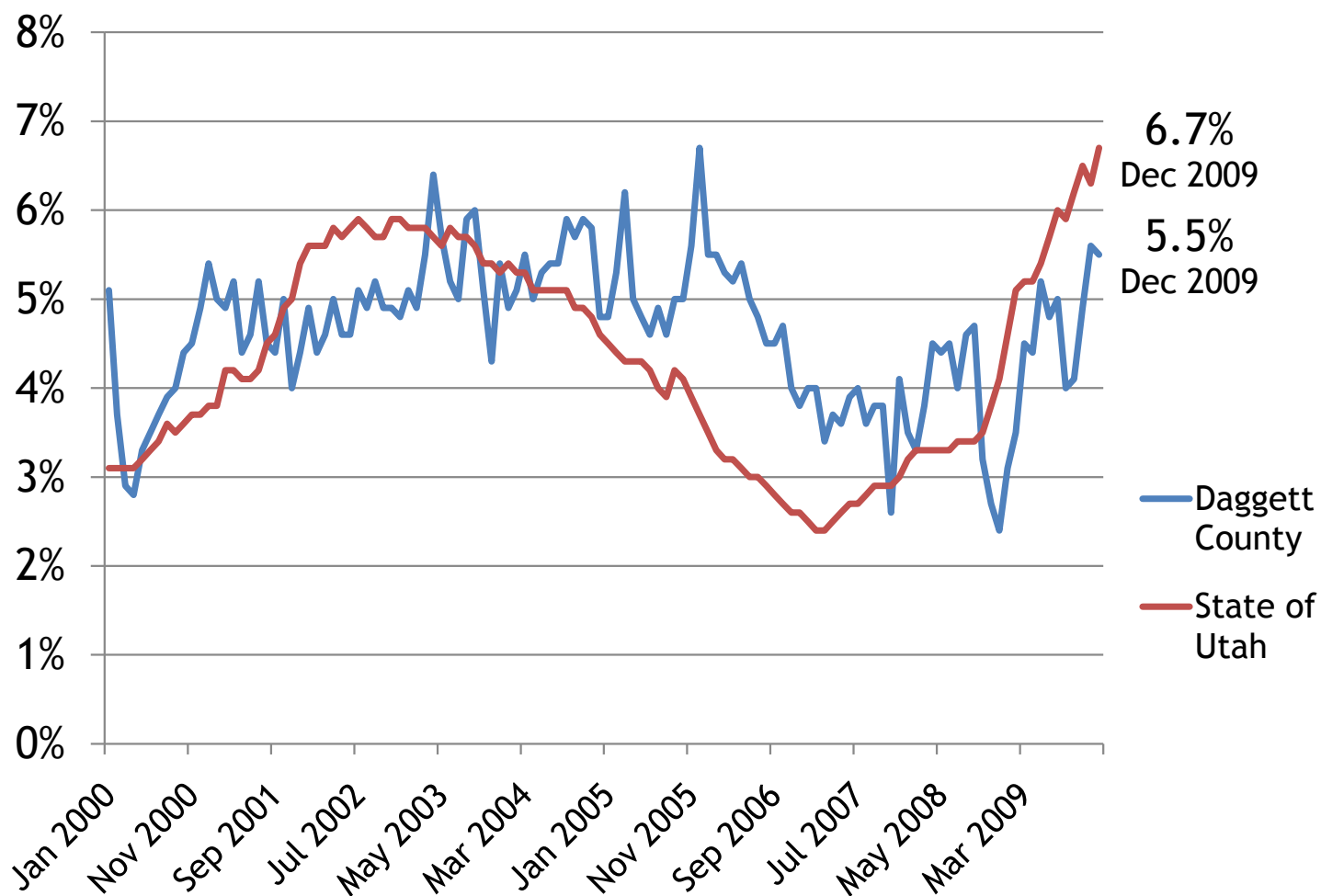
DAGGETT COUNTY

AVERAGE MONTHLY WAGE BY INDUSTRY

Average from 2008 4th Qtr to 2009 3rd Qtr

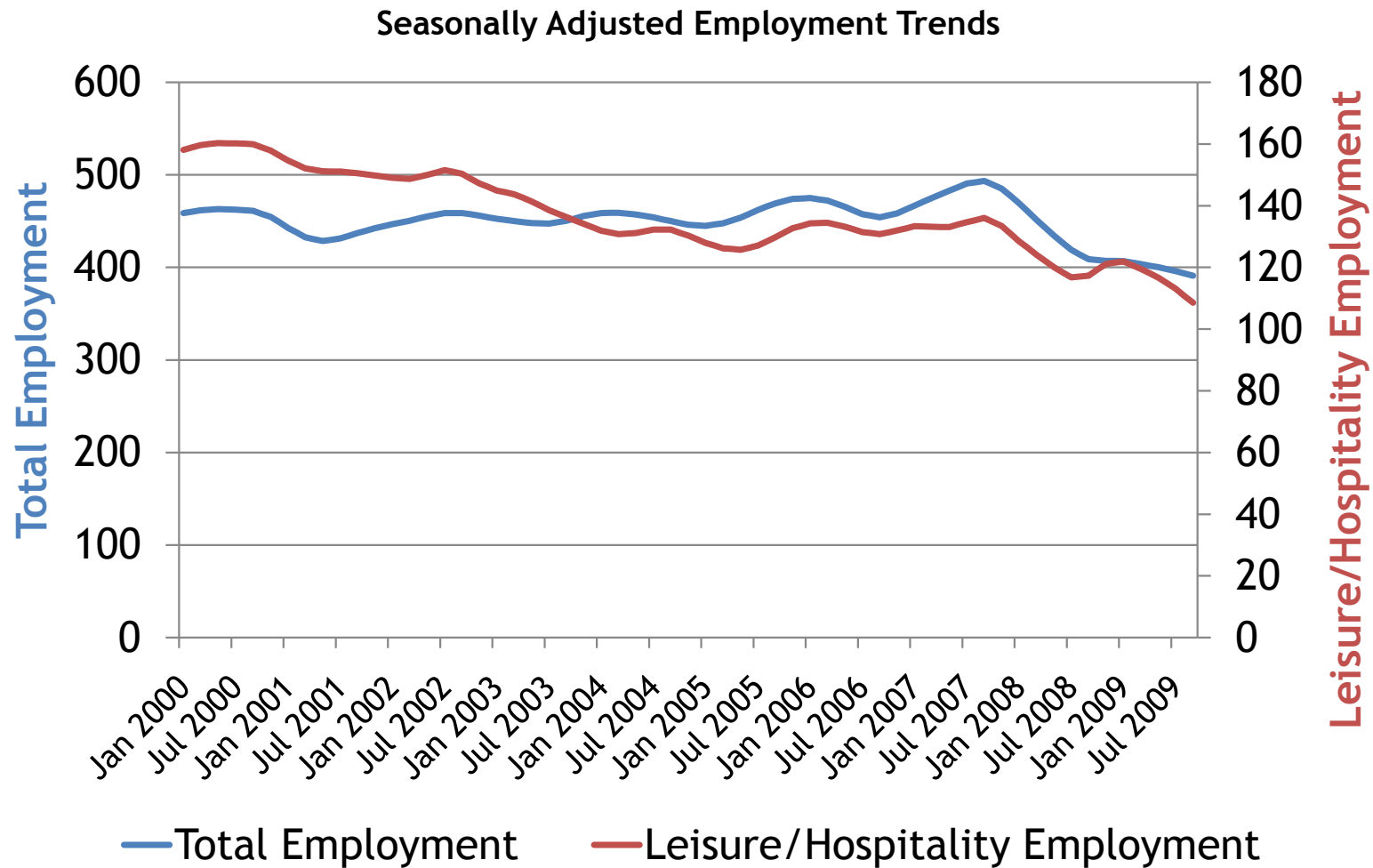


DAGGETT COUNTY UNEMPLOYMENT RATES



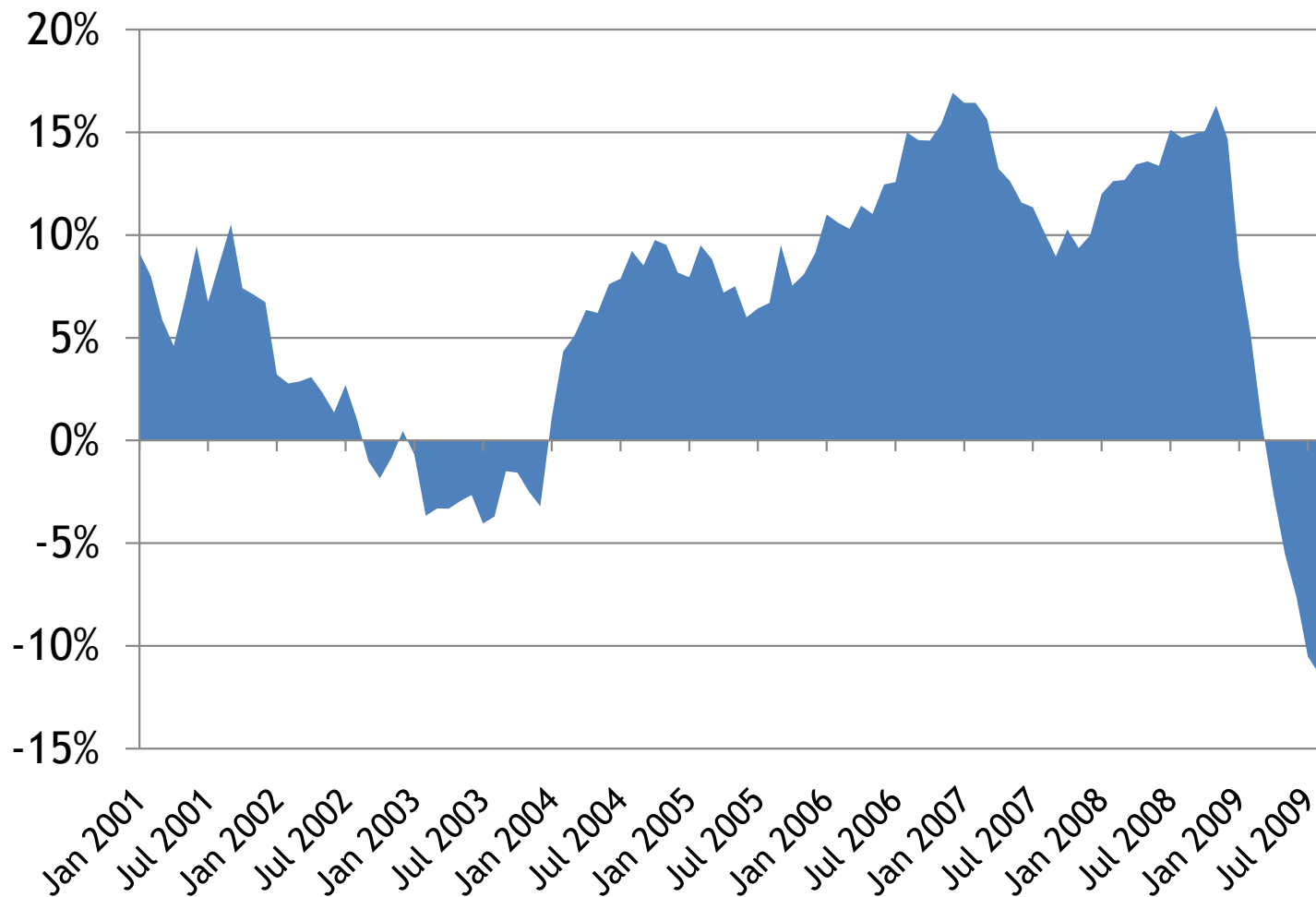
DAGGETT COUNTY

EMPLOYMENT TRENDS



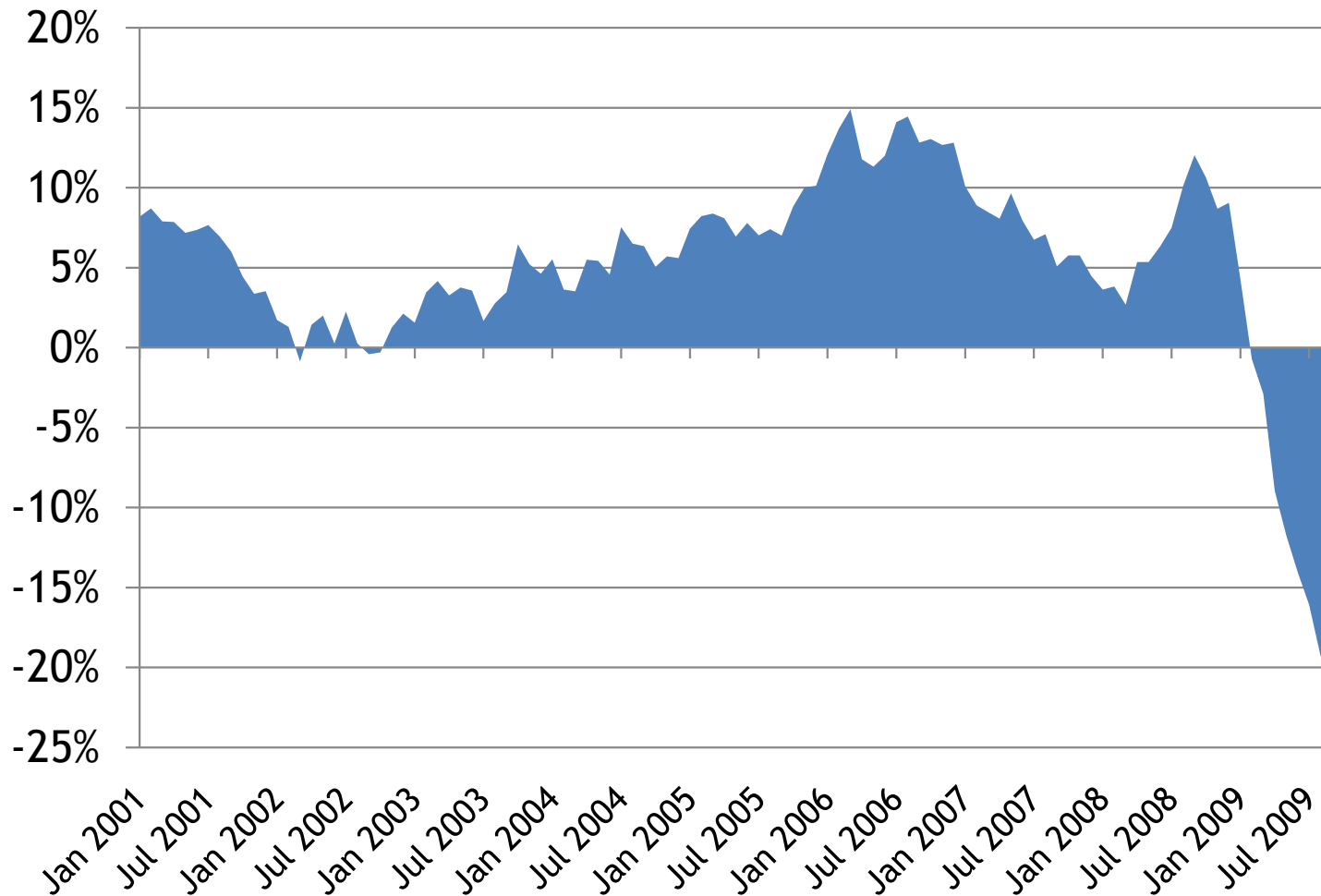
DUCHESNE COUNTY

YEAR-OVER CHANGE IN NONFARM JOBS



UINTAH COUNTY

YEAR-OVER CHANGE IN NONFARM JOBS



UINTAH BASIN

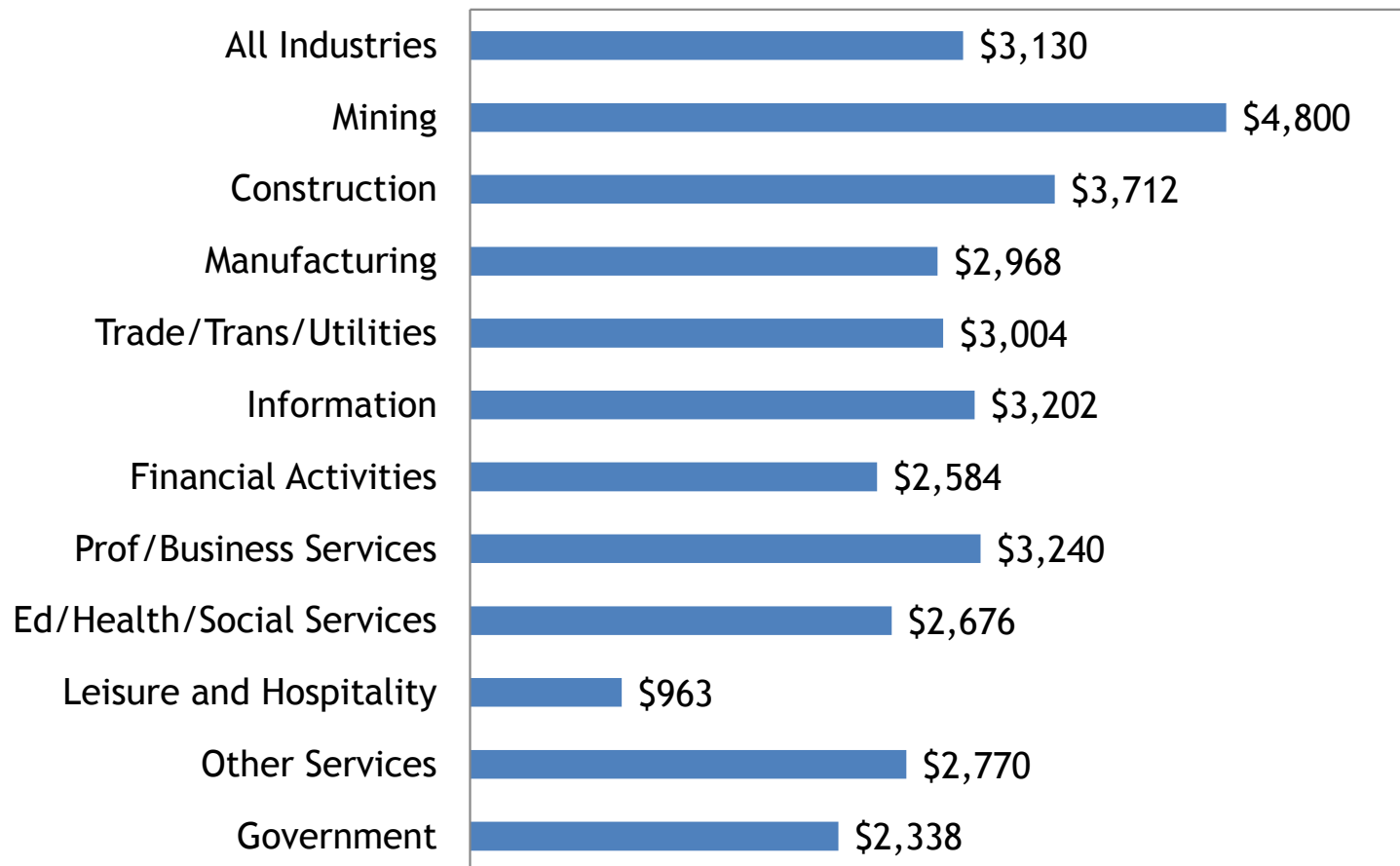
OIL AND GAS STATISTICS FOR 2008

- ◉ Duchesne and Uintah Counties produced 69.2% of Utah's total oil output.
- ◉ Duchesne and Uintah Counties produced 67.8% of Utah's total natural gas output.
- ◉ Oil and gas jobs in Duchesne County accounted for 19.2% of all jobs in the county.
- ◉ Oil and gas jobs in Uintah County accounted for 22.2% of all jobs in the county.

DUCHESNE COUNTY

AVERAGE MONTHLY WAGES BY INDUSTRY

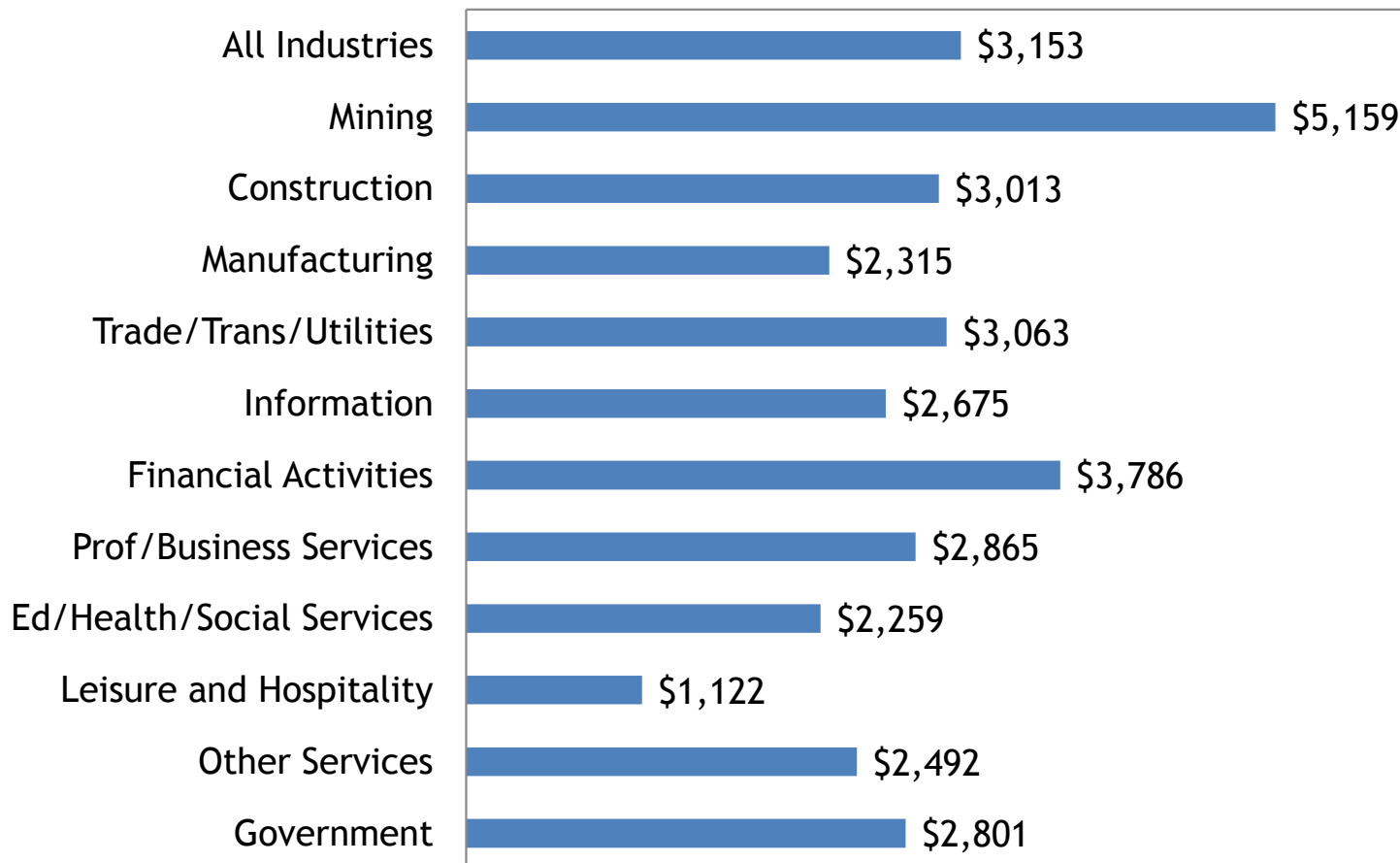
Average Based on 2009 3rd Qtr



UINTAH COUNTY

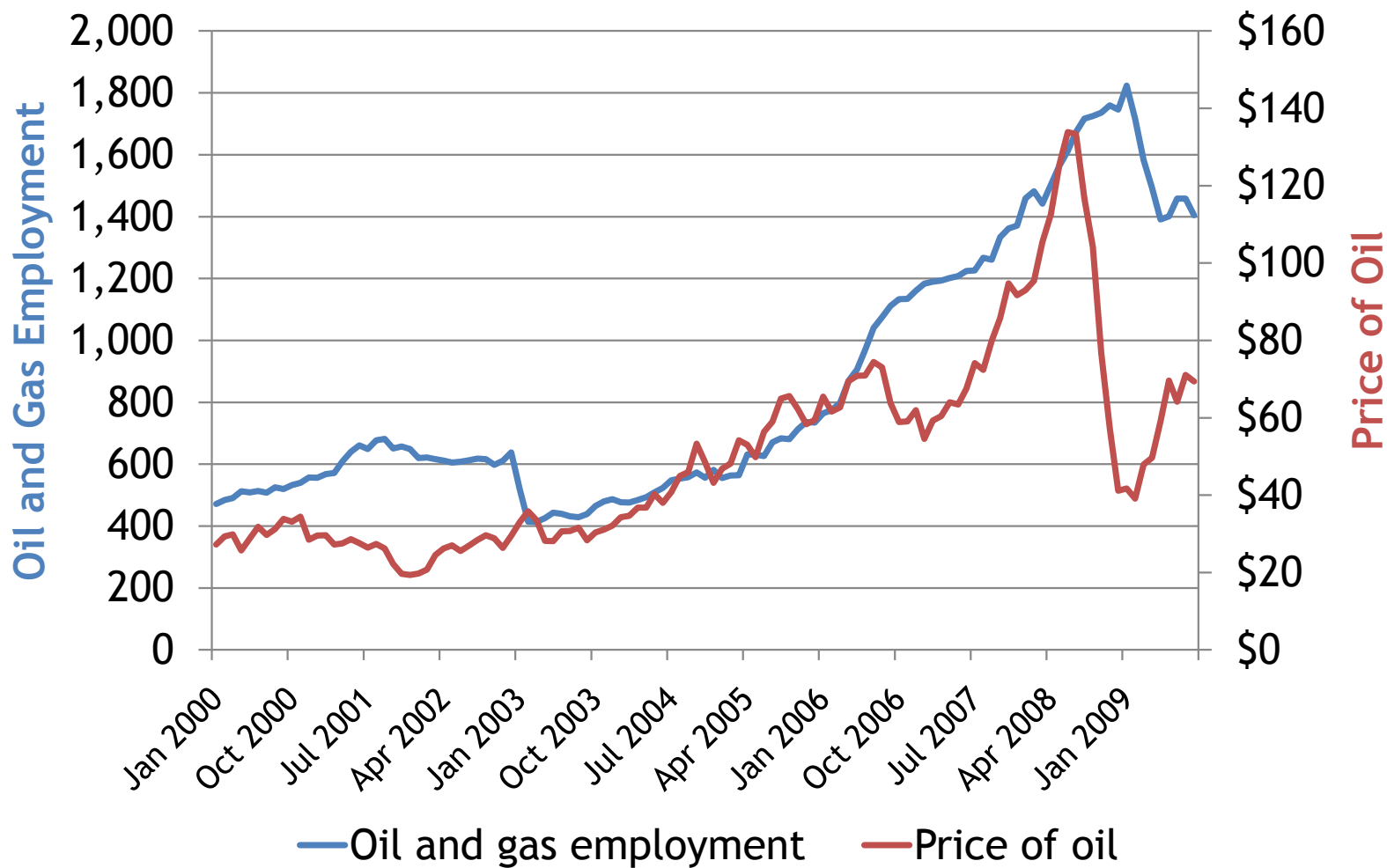
AVERAGE MONTHLY WAGES BY INDUSTRY

Average Based on 2009 3rd Qtr



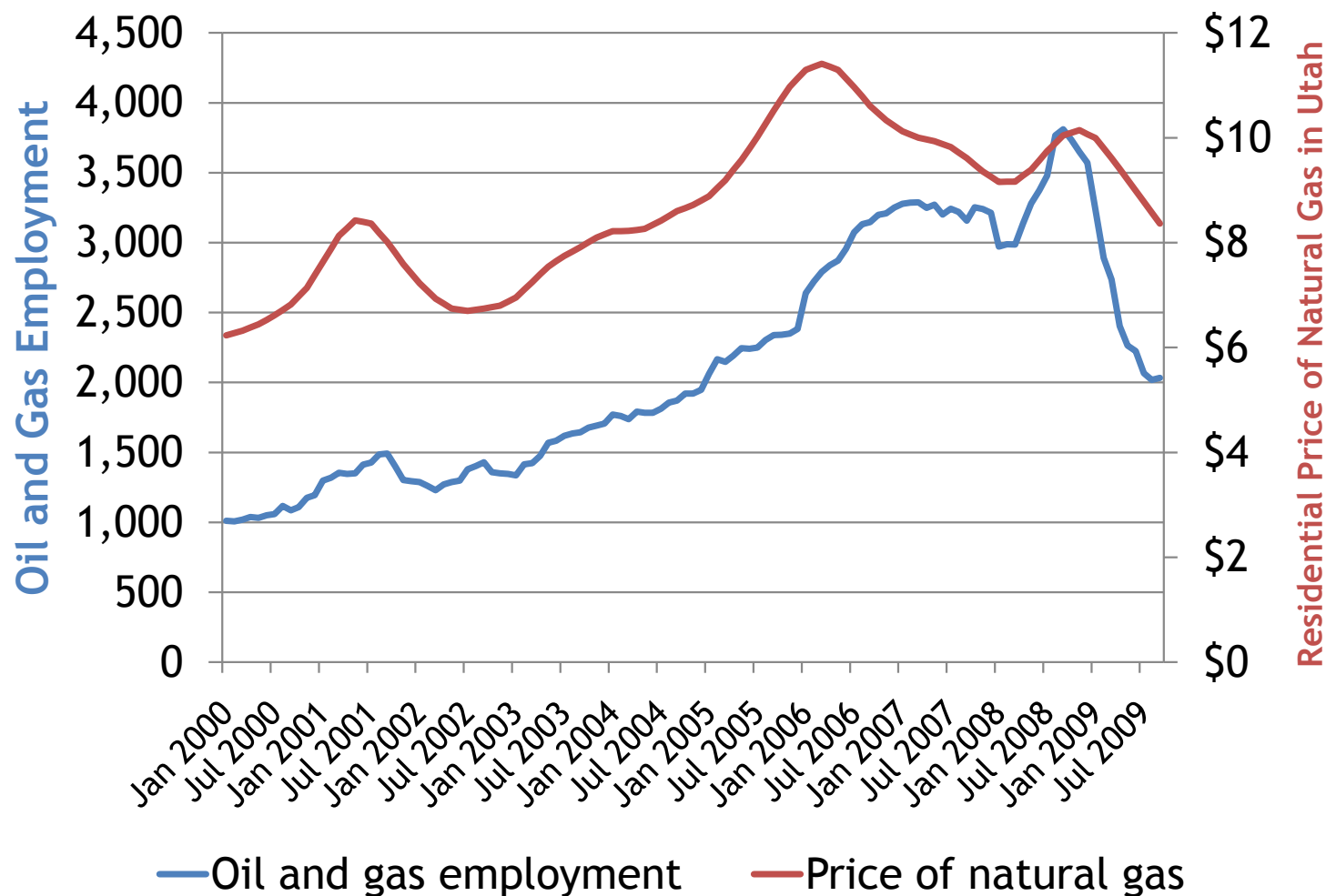
DUCHESNE COUNTY

OIL PRICES AND EMPLOYMENT

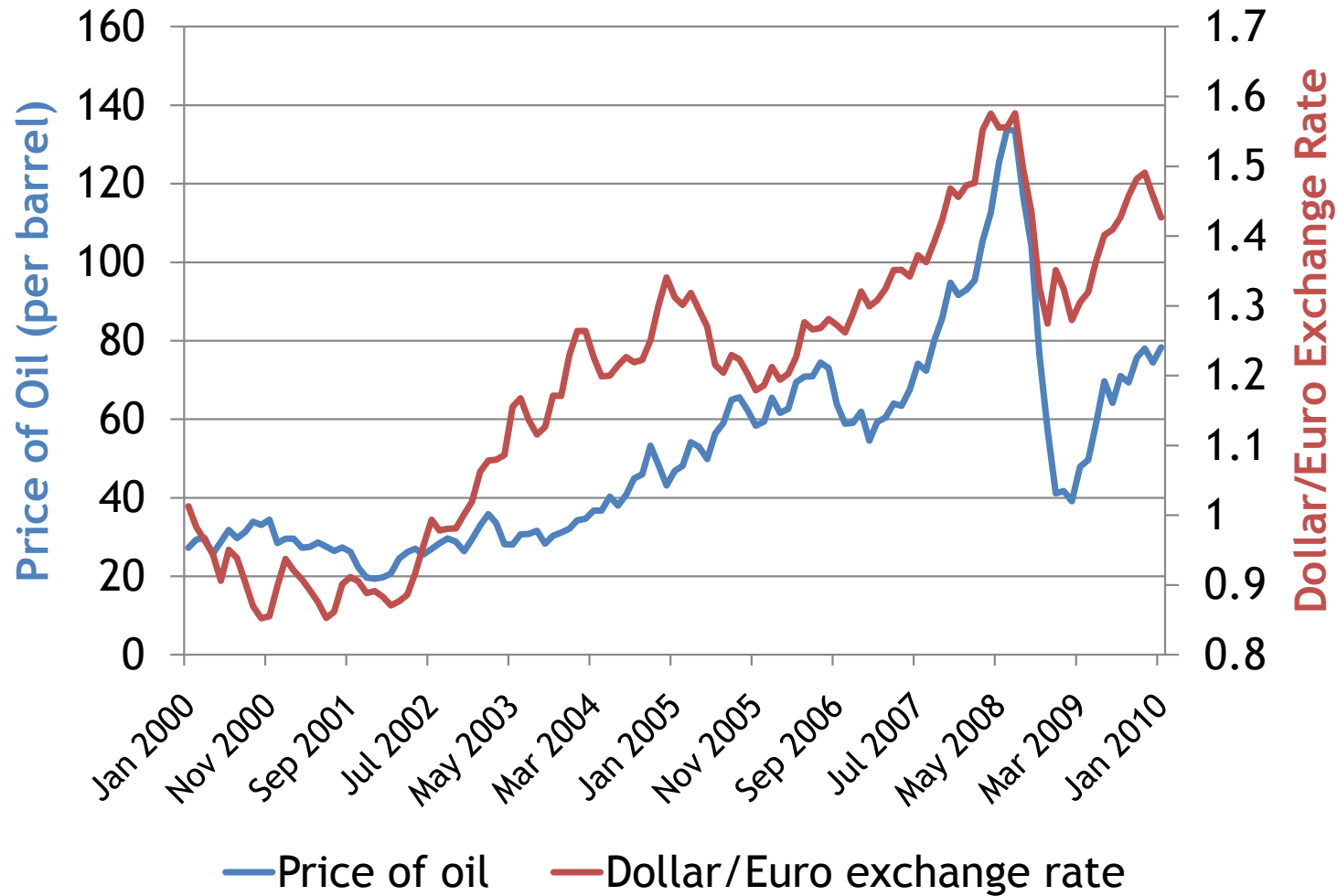


UINTAH COUNTY

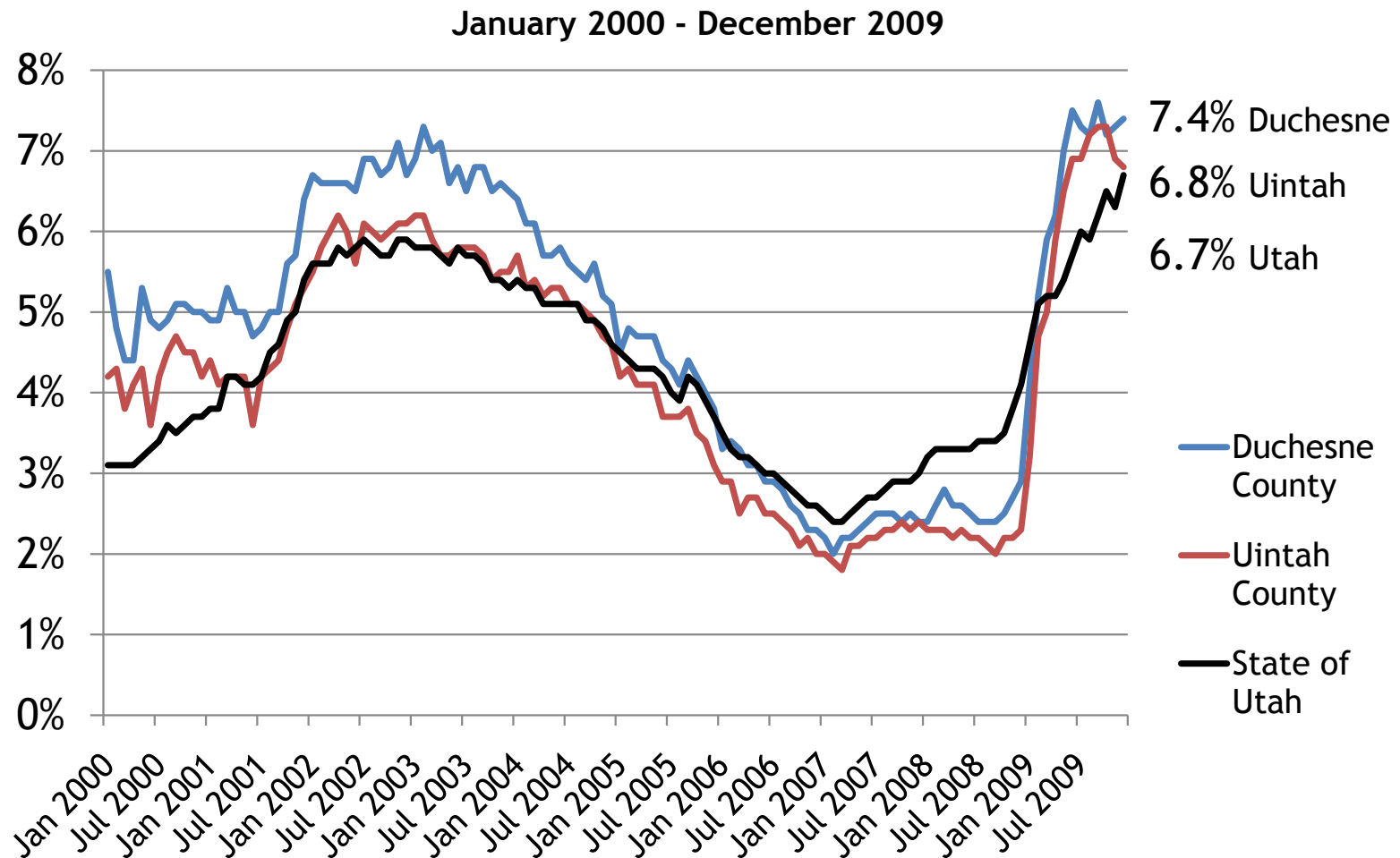
NATURAL GAS PRICES AND EMPLOYMENT



OIL PRICES AND FOREIGN EXCHANGE RATES



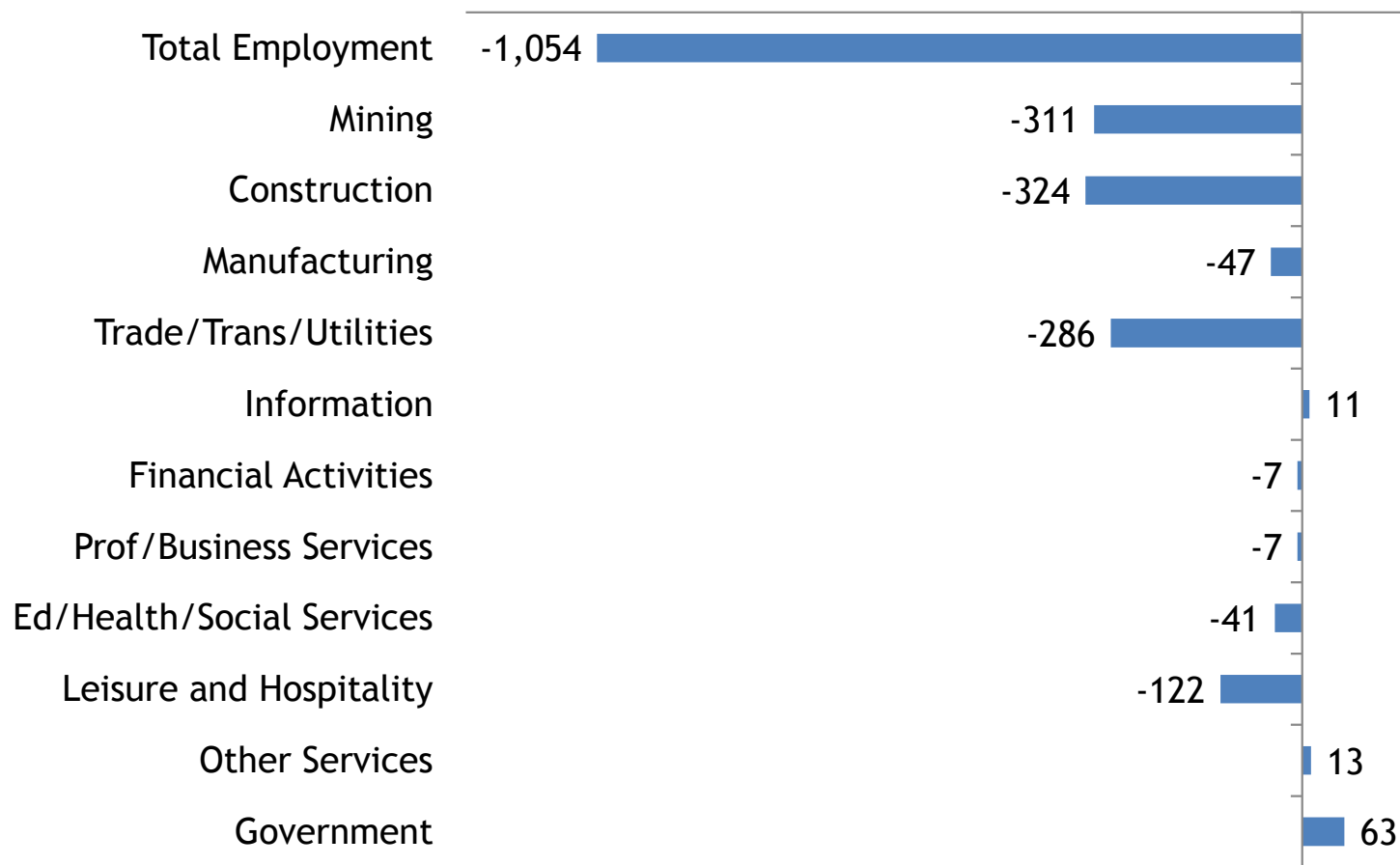
DUCHESNE AND UINTAH COUNTIES UNEMPLOYMENT RATES



DUCHESNE COUNTY

YEAR-OVER CHANGE IN JOBS

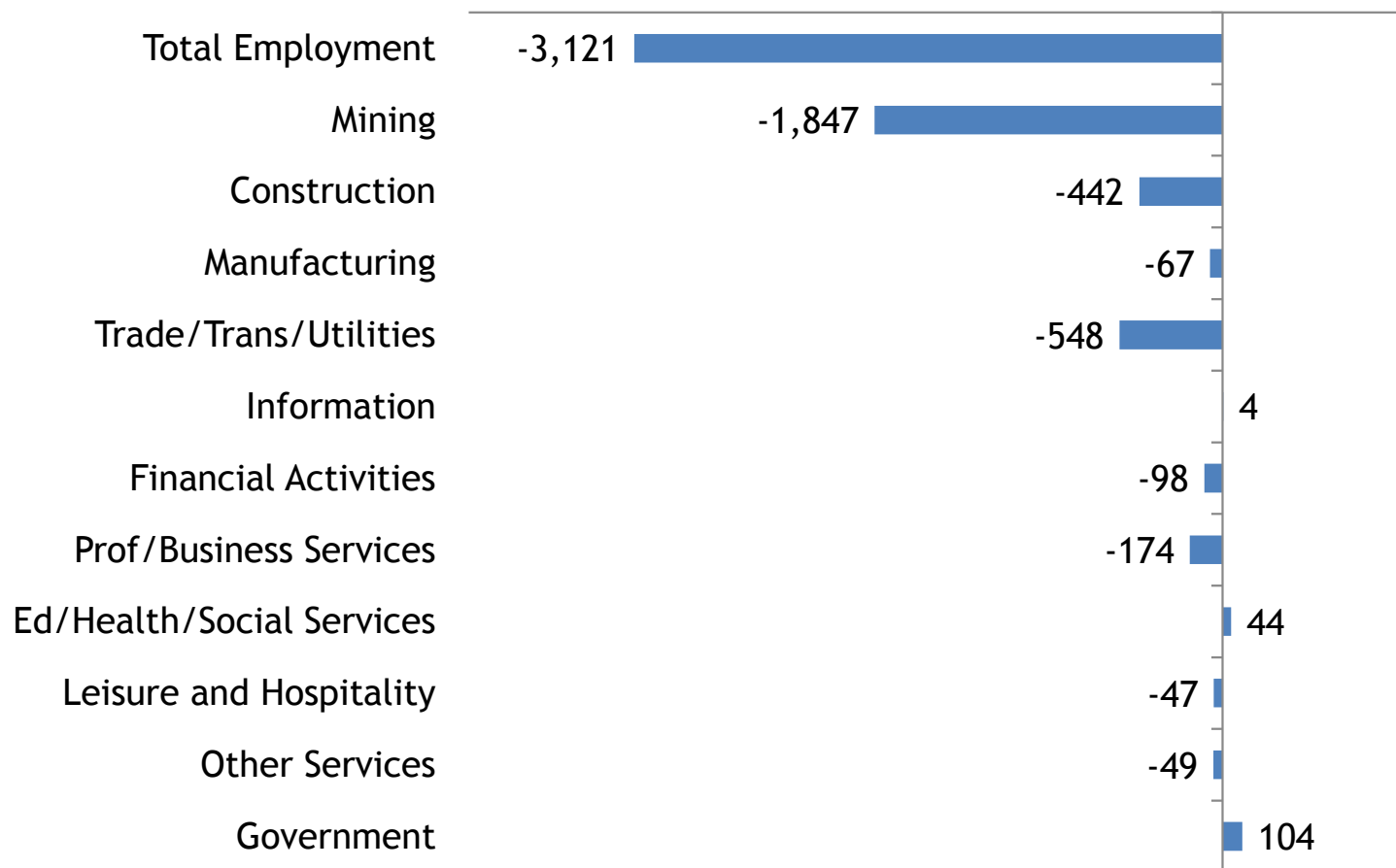
Numeric Change in Jobs, September 2009



UINTAH COUNTY

YEAR-OVER CHANGE IN JOBS

Numeric Change in Jobs, September 2009

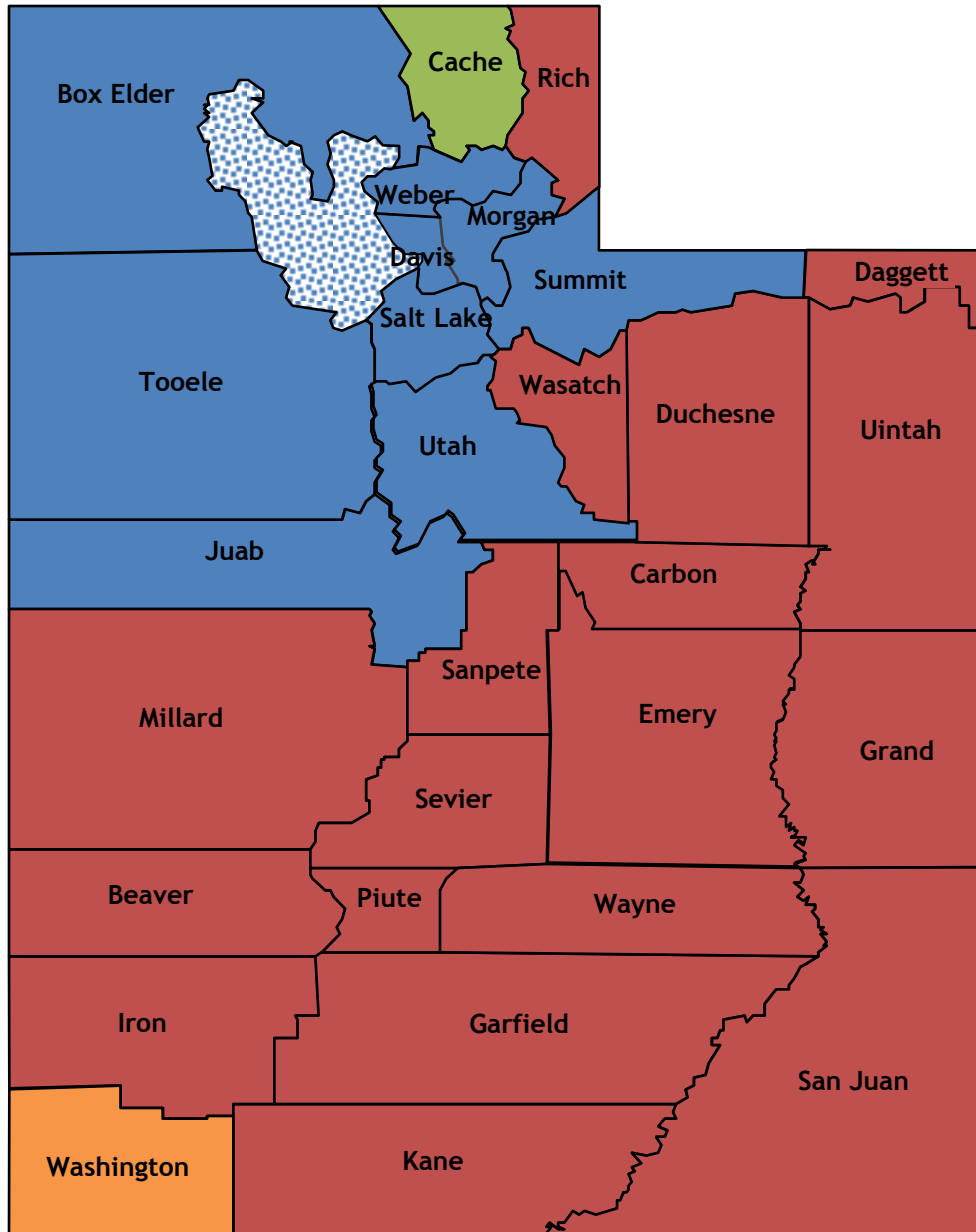


OCCUPATIONAL TRENDS

Employment Outlook, Wages, and
Star Ratings

UTAH'S OCCUPATIONAL DATA

- ⦿ Occupational demand is ultimately based on long-term employment forecasts by industry. Employers are not surveyed.
- ⦿ Job openings arise in two ways:
 - Replacement of those leaving the occupation
 - Industry growth
- ⦿ Star Ratings rank occupations according to four training levels.
- ⦿ Star Ratings are based on two criteria:
 - Employment outlook (10-year forecasts)
 - Current wage rate (wages are not forecasted)

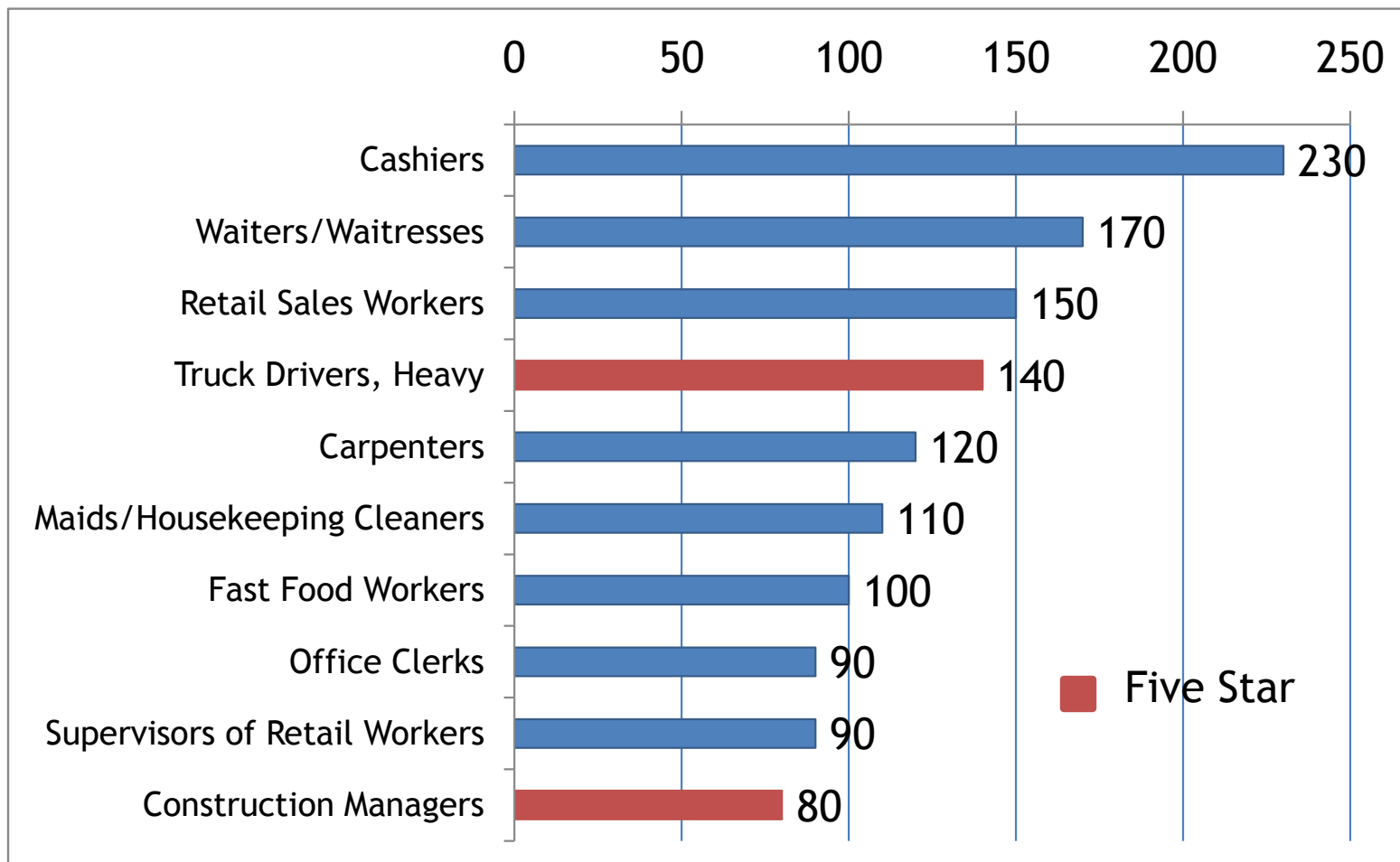


Occupational projections are produced for five regions:

Statewide
Cache County
Washington County
Metro
Non-Metro

UTAH NON-METRO

MOST ANNUAL OPENINGS 2006-2016



FIVE STAR OCCUPATIONS

ASSOCIATE'S, BACHELOR'S, OR HIGHER

| Occupation | Annual Opening | Annual Median Wage Eastern Region May 2008 |
|------------------------------------|----------------|--|
| Financial Managers | 10 | \$85,820 |
| Civil Engineers | 10 | \$69,300 |
| General and Operations Managers | 40 | \$59,550 |
| Accountants and Auditors | 30 | \$53,990 |
| Registered Nurses | 50 | \$53,220 |
| Dental Hygienists | 10 | \$39,890 |

FIVE STAR OCCUPATIONS

ON-THE-JOB TRAINING/WORK EXPERIENCE (I)

| Occupation | Annual Opening | Annual Median Wage Eastern Region May 2008 |
|---|----------------|--|
| First-Line Supervisors/Managers of Construction Trades and Extraction Workers | 60 | \$65,430 |
| Lodging Managers | 20 | \$49,130 |
| Sales Representatives, Wholesale and Manufacturing | 40 | \$44,800 |
| Rotary Drill Operators, Oil and Gas | 30 | \$44,600 |
| Roustabouts, Oil and Gas | 30 | \$43,630 |
| Truck Drivers, Heavy and Tractor-Trailer | 140 | \$39,710 |
| First-Line Supervisors/Managers of Office and Administrative Support Workers | 30 | \$39,270 |
| Police and Sheriff's Patrol Officers | 30 | \$39,210 |

Source: Utah Department of Workforce Services

FIVE STAR OCCUPATIONS

ON-THE-JOB TRAINING/WORK EXPERIENCE (II)

| Occupation | Annual Opening | Annual Median Wage Eastern Region May 2008 |
|---|----------------|--|
| Industrial Machinery Mechanics | 20 | \$39,160 |
| Operating Engineers and Other Construction Equipment Operators | 60 | \$39,110 |
| Electricians | 30 | \$38,990 |
| Cement Masons and Concrete Finishers | 20 | \$33,870 |
| Maintenance and Repair Workers, General | 40 | \$33,140 |
| Cabinetmakers and Bench Carpenters | 30 | \$32,870 |
| Correctional Officers and Jailers | 20 | \$32,090 |
| Plumbers, Pipefitters, and Steamfitters | 20 | \$31,280 |

FOUR STAR OCCUPATIONS

ASSOCIATE'S, BACHELOR'S, OR HIGHER

| Occupation | Annual Opening | Annual Median Wage Eastern Region May 2008 |
|---|----------------|--|
| Family and General Practitioners | 10 | \$104,870 |
| Construction Managers | 80 | \$77,020 |
| Education Administrators, Elementary and Secondary School | 10 | \$63,690 |
| Conservation Scientists | 10 | \$60,040 |
| Educational, Vocational, and School Counselors | 10 | \$49,600 |
| Middle School Teachers, Except Special and Vocational Education | 20 | \$46,130 |
| Surveyors | 10 | \$46,130 |
| Elementary School Teachers, Except Special Education | 40 | \$42,330 |

FOUR STAR OCCUPATIONS

ON-THE-JOB TRAINING/WORK EXPERIENCE

| Occupation | Annual Opening | Annual Median Wage Eastern Region May 2008 |
|--|----------------|--|
| Loading Machine Operators, Underground Mining | 20 | \$89,400 |
| Service Unit Operators, Oil, Gas, and Mining | 20 | \$55,790 |
| Continuous Mining Machine Operators | 20 | \$54,410 |
| Sales Reps, Wholesale and Manufacturing, Technical and Scientific Products | 10 | \$54,110 |
| First-Line Supervisors/Managers of Production and Operating Workers | 20 | \$52,190 |
| Postal Service Mail Carriers | 10 | \$49,720 |
| First-Line Supervisors/Managers of Mechanics, Installers, and Repairers | 20 | \$49,610 |
| Mobile Heavy Equipment Mechanics, Except Engines | 10 | \$48,250 |

FOR MORE INFORMATION:

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- ❖ Then click on “Publications”